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Transcript Exhibit(s)

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Docket #(s): L-0000044-15-0318-00171

AZ CORP COMMISSION
DOCKET CONTROL

LS Case No. 171

Exhibit #: ACC 1-5, Red 1-16, WIN 1-15

Volume 6

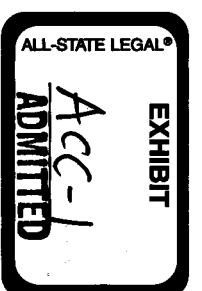
Arizona Corporation Commission

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Arizona Corporation Commission

Docket No. L-00000YY-15-0318-00171

SunZia Southwest Transmission Project

Presentation of Arizona Corporation Commission Staff Witness

Ray T. Williamson

(Prepared by Staff Engineer Jeff Francis)

October 13, 2015

ACC Staff Witness

Name:

Ray T. Williamson

Title:

Utilities Engineer

Employer:

Arizona Corporation Commission

Address:

**Utilities Division
1200 West Washington
Phoenix, AZ 85007**

Professional Background

Education & Certification

- B.S. (Engineering): 1970
- M.P.S. (Public Administration): 1976
- M.B.A. (Finance): 1982
- Certified Energy Manager (C.E.M.) designation from the Association of Energy Engineers: 1984

Professional Background (cont.)

Work Experience

- 1970-1976: **U.S. Army**
- 1976-1980: **Employed in the Solar Industry**
- 1980-1992: **Assoc. Dir., AZ Solar Energy Commission
Energy Economic Analyst, AZ Energy Office
Manager, AZ Solar Energy Office**
- 1992-2008: **Employed at AZ Corporation Commission
Economist; Senior Rate Analyst;
Chief, Economics & Research Section;
Acting Director, Utilities Division;
Utilities Engineer**
- 2001-2005: **Design. of the Chairman, ACC to the Power
Plant and Transmission Line Siting Comm.**

Purpose of Testimony

- **Establish Hearing Record for Commission Consideration of its Balancing Test**

- **Staff's Technical Assessment of the Project**

- 1. Justification of Need**
- 2. Benefits of the Project**
- 3. System Reliability based on Impact Studies**
- 4. Staff's Assessment and Conclusions**

ACC Balance Test
A.R.S. 40-360-07

Factors Considered:

- **Adequacy**
- **Economics**
- **Reliability**
- **Environment**
- **Ecology**

Adequacy and Reliability

Reliability is comprised of two parts:

Adequacy – The ability of the electric systems to supply the aggregate electrical demand and energy requirements of their customers at all times, taking into account scheduled and reasonably expected unscheduled outages of system elements.

Security – The ability of the electric systems to withstand sudden disturbances such as electric short circuits or unanticipated loss of system elements.

Project Description

On September 3, 2015, SunZia Transmission LLC filed an application with the Corporation Commission for a Certificate of Environmental Compatibility for the proposed construction of approximately 199 miles of two new 500 kV transmission lines and associated facilities. Co-located with areas of undeveloped renewable resource potential, the Project will provide a path for energy delivery to western power markets.

History of the Project

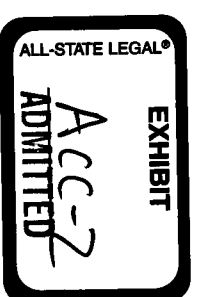
- **The Project was originally conceptualized as a result of CATS/SWAT technical studies, which identified a need for improved reliability in the southeastern region of Arizona.**
- **The Project was first included in the Fifth (2008) Biennial Transmission Assessment, and has filed ten year plans each year since then.**
- **The Project has been included in SWAT-performed studies, including the Ten Year Snapshot contingency (n-0 and n-1) power flow analyses.**
- **The Project has achieved WECC Phase 3 status for a path rating of 3,000 MW.**

Need and Benefits of the Project

- This project provides 3000 MW of transfer capability from high capacity factor wind generation in New Mexico to western power markets.
- This project strengthens the Extra High Voltage system around the Tucson metropolitan area by reducing existing transmission congestion, and with the addition of the Willow-500kV substation, completing a loop and thereby providing additional system reliability.

Staff's Assessment and Conclusions

- Staff concludes that the Project has complied with the Guiding Principles for Determination of System Adequacy and Reliability, as updated and approved in the 8th BTA.
- Staff concludes that the Project will enhance the electric system reliability of the Tucson metropolitan area.
- Staff concludes that the Project will provide additional transfer capability from New Mexico wind generation to western power markets.
- Staff concludes that the Project will improve access to new renewables.



Staff Observations Regarding the Proposed SunZia Transmission Line

Bob Gray, ACC Staff

October 2015

Docket Number: L-00000YY-15-0318-00171

Background

- B.A. in Geography - University of Minnesota (Duluth), 1990
- M.A. in Geography - Arizona State University, 1990
- Arizona Corporation Commission Staff - 1990 to present. Areas of work have included water and wastewater utilities, rate design, renewable energy, energy efficiency, revenue decoupling, adjustor mechanisms, natural gas pipeline proceedings before the Federal Energy Regulatory Commission, natural gas infrastructure and supply issues, etc.
- Past Chair of the NARUC Staff Subcommittee on Gas - 2005 to 2007
- Past involvement in numerous generation and transmission line siting cases
- Current Member of the North American Energy Standards Board's Executive Committee and Board of Directors

Uncertainties Regarding the Project

- The location and mix of electric generation sources that will actually flow power on the line
- Demand for power from the line in Arizona and/or California
- How power will be taken from the Pinal Central substation to destinations in Arizona and/or California

Applicant's Cited Needs and Benefits of Project

- Support development and transmission of renewable energy resources – Staff believes that this project can provide Arizona with access to additional renewable energy resources, particularly wind resource sites in New Mexico. When and to what extent Arizona or California would actually access these resources is speculative.
- Provide power to help meet future electricity demand in Arizona – Staff believes that this project could be another source of electricity for meeting Arizona's future electricity needs, but again when and to what extent is speculative.

Applicant's Cited Needs and Benefits of Project, continued

- Provide an option for Arizona to comply with increasingly stringent federal air quality standards – Staff believes that proposed new federal air quality standards will be challenging for Arizona to meet if/when they come into effect.
Renewable resources such as those SunZia would likely provide access to could help Arizona deal with new federal regulations.
- Jobs and additional revenue – The project can realistically be expected to create jobs while under construction and some level of additional revenue to local and state governments

Looking at Need in the Case of a Merchant Transmission Line

- Different than a local utility building a transmission line to meet incumbent load
- SunZia's method of financing, wherein signed contracts are needed to get financing, means it won't be built absent such contracts for taking service on the line.
- Thus, SunZia's method of financing mitigates the risk of constructing a line that is not needed.

Natural Gas considerations

- To the extent this project carries natural gas-generated electricity, it could place additional strain on the El Paso interstate pipeline southern system and increase the need for the development of natural gas storage in Arizona.
- The El Paso southern system runs through the same general area as much of SunZia project does. The El Paso southern system is currently capacity constrained and may face additional demands from a number of factors including growing domestic demand to meet Clean Power Plan and other requirements and growing demand in Mexico.

Staff's Position Regarding The Proposed SunZia Transmission Project

- Staff at this time is neutral regarding the proposed SunZia project
- If the project is granted a Certificate of Environmental Compatibility, Staff recommends inclusion of the typical condition regarding places where the line would be in close proximity with a major natural gas pipeline facility.

Before commencing construction of Project facilities located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant shall:

(a) Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material adverse impacts are noted in the studies, Applicant shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant shall provide to Commission Staff and Docket Control reports of studies performed; and

(b) Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. This study should either: i) show that such outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of this study to Commission Staff and Docket Control.

RYLEY CARLOCK & APPLEWHITE

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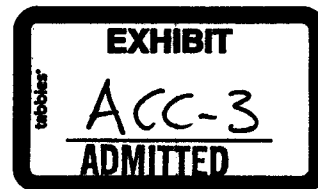
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September 22, 2015



Sent via e-mail to:

Bob Gray: bgray@azcc.gov
Charles H. Hains: chains@azcc.gov

Re: SunZia Transmission, LLC Responses to Staff's **First** Set of Data Requests
Docket No. L-00000YY-15-0318-00171

Dear Staff of the Arizona Corporation Commission:

The Arizona Corporation Commission Staff ("Staff") provided the First Set of Data Requests to SunZia Transmission, LLC on September 16, 2015. Herein are the responses from SunZia Transmission, LLC ("SunZia"). Tom Wray and Mark Etherton provided the information that forms the basis for the response. Their addresses are:

Tom Wray
Project Manager
SunZia Transmission, LLC
3610 N. 44th Street, Suite 250
Phoenix, AZ 85018

Mark Etherton
Engineering Manager
SunZia Transmission, LLC
3610 N. 44th Street, Suite 250
Phoenix, AZ 85018

Should you have any questions regarding these responses, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "A. H. Acken".

Albert H. Acken

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
TO STAFF'S FIRST SET OF DATA REQUESTS
DOCKET NO. L-00000YY-15-0318-00171
SEPTEMBER 22, 2015**

GENERAL OBJECTION: SunZia objects to the extent that the requests are overbroad, open-ended, and irrelevant to the proceeding make certain commercial and operational assumptions, and irrelevant to the proceeding, and SunZia lacks information to answer the request.

BG. 1.1 Please provide any estimates the Applicant has made regarding the electricity source types (solar, wind, coal, natural gas, etc.) of the power expected to flow over the proposed project, expressed in MWhs or percentage of power from each source.

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following references to the Final Environmental Impact Statement and Proposed RMP Amendments, dated June 2013 ("FEIS") in an attempt to be responsive. The FEIS is included in Exhibit B-1 to SunZia's Application for a Certificate of Environmental Compatibility. The sections of the FEIS cited herein continue to be valid and applicable in understanding the generation which may be transported on the SunZia Project, recognizing the FERC Order 888 dictates that SunZia cannot refuse an interconnection request based on type of generation.

RESPONSE:

The FEIS prepared by the Bureau of Land Management ("BLM") includes a list of present, future, and reasonably foreseeable future solar projects in Arizona and New Mexico and wind projects in New Mexico within the vicinity of the project (see Table 4-36 on pages 4-296 and 4-297 of the FEIS).

The FEIS also includes Section 4.17.3.3 Energy Development Forecast Analysis that the BLM created to use as an analytical tool "...to assess the cumulative effects of the types of renewable energy projects that may ultimately interconnect with the Project." (page 4-298). At the time of the study, the Project did not have specific generation projects that planned to interconnect with the transmission facility so the development scenarios in the analysis were based on hypothetical renewable energy projects that can be reasonably expected based on the Qualified Resource Areas that were developed using the Western Renewable Energy Zone study prepared by the Department of Energy and Western Governors' Association.

The analysis included estimated Energy Development Units ("EDUs") for two options that were based on the two possible configurations of the Project:

"Option A is based on the assumption that two AC lines would be built with a combined total of 3,000 MW of transmission capability, and on the assumption that a total of 24 EDUs would be constructed: 6 in Arizona (4 solar PV, 1 solar thermal, and 1 geothermal) and 18 in New Mexico (4 solar PV, 1 solar thermal, 12 wind, and 1 geothermal). These projects would use 2,420 MW of the 3,000 MW of transmission capability built in Option A, with the remaining 580 MW being used by other existing types of generation facilities."

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
TO STAFF'S FIRST SET OF DATA REQUESTS
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Option B is based on the assumption that one AC line and one DC line would be built with a combined total of 4,500 MW of transmission capability, and on the assumption that 42 EDUs would be built: 3 in Arizona (2 solar PV and 1 solar thermal) and 39 in New Mexico (36 wind, 2 solar PV, and 1 geothermal). These projects would use 4,210 MW of the 4,500 MW of transmission capability built in Option B, with the remaining 290 MW being used by other existing types of generation facilities.

In developing these scenarios, it is assumed that some portion of the Project's transfer capability would be utilized by nonrenewable generation resources. As previously discussed, FERC Order 888 compels transmission owners to provide open access to its facilities without discrimination, including discrimination as to type of generation requesting interconnection and transmission service." (page 4-303).

Please refer to the FEIS for complete details on the purpose and results of the Energy Development Forecast Analysis and the estimated types of generation projects.

- a. **Please discuss if this mix is expected the change substantially over the operational life of the proposed project.**

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

Appendix A to this response includes the Declaratory Order from the Federal Energy Regulatory Commission ("FERC") regarding the SunZia Project, dated May 20, 2011. Under its provisions, the Applicant cannot offer transmission service to any qualified transmission user if doing so creates undue preference and discrimination as to the type of technology used to generate the electric power that would utilize such transmission service. As a transmission owner, the Applicant will be subject to the same rules and regulations, including system reliability standards and codes, as other transmission owners operating in the state. As is the case with other transmission owners operating in the state, the Applicant has no particular expectation regarding how generation mix may evolve over time.

- b. **Are any of the identified resources currently in operation? Are any of the identified resources not in operation, but are currently planned and approved?**

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following response:

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
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RESPONSE:

Based on market research and discussions with potential anchor customers, the Applicant has received a Letter of Intent from First Wind (now acquired by SunEdison) for reservation of up to 1,500 megawatts of firm transmission service for delivery of generation, including wind, from the area of the SunZia East Substation in central New Mexico, to the Pinal Central Substation in Arizona, and thence to electric utility customers who can access that Arizona system nodal point. The Applicant believes that significant energy generation (primarily wind and photovoltaic solar resources) will be developed along the Project's length in both Arizona and New Mexico. Included in Appendix B are solar and wind resource maps developed by the Western Governors' Association and the National Renewable Energy Laboratory.

- c. **Please discuss how much, if any, of the capacity of the project has already been secured by agreement with any entity. If none has been, is the Applicant in the process of negotiating the transmission of any electric resources using the project facilities?**

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

See response to BG. 1.1.b.

- d. **Is it the Applicant's plan to own and operate the project facilities following construction of the project?**

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

SunZia Transmission, LLC, is likely going to be the operator of the SunZia Project in the future, although ownership interests may change.

BG 1.2 Does the Applicant expect the Bowie Project to be constructed and become operational if the SunZia project comes to fruition? If so, please estimate when?

This question, as written, is overbroad, open-ended and makes certain commercial and operational assumptions. This question is also irrelevant, as Bowie Power Station was approved by the Arizona Corporation Commission on March 7, 2002 (Case No. 118). Also, as written, the question is vague and ambiguous, as it assumes a connection between the Bowie Power Station and the SunZia Project. Notwithstanding these issues, and without waiving the ability to object to this subject matter in the future as irrelevant, overbroad, vague, and ambiguous, SunZia provides the following response:

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RESPONSE:

The Bowie Power Station is an independent project, with a transmission path to market independent and unrelated to the SunZia Project. The construction and operation of the Bowie Power Station are neither tied nor related to the SunZia Project's construction and operation.

BG 1.3 What other natural gas-fired generation facilities does SunZia expect would be connected to and/or flow electricity across the SunZia project?

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

The Applicant is not aware of any pending gas generation development that might in the future contemplate interconnection to the SunZia Project.

BG 1.4 What natural gas pipeline(s) would be relied on as the fuel source for facilities expected to flow natural gas-generated electricity over the proposed SunZia project? Does SunZia know if such generation facilities have or expect to contract for firm pipeline capacity on any nearby interstate natural gas pipelines?

This question, as written, is overbroad, open-ended and makes certain commercial and operational assumptions. At this time, SunZia lacks information to answer this question, as written. This question is also vague and ambiguous, as it asks SunZia to opine on the fuel source of unidentified and hypothetical natural-gas fired generators, which may or may not seek interconnection with the SunZia Project. Notwithstanding these issues, and without waiving the ability to object to this subject matter in the future as irrelevant, overbroad, vague, and ambiguous, SunZia provides the following response:

RESPONSE:

See Response at BG 1.3.

BG 1.5 Is SunZia aware of the current constrained nature of Kinder Morgan's southern pipeline system?

Subject to the General Objection and without waiving the ability to object to this subject-matter in the future as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

The Applicant is unaware of any capacity constraints on the referenced gas pipeline system.

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
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BG 1.6 Please identify any area(s) where the proposed project would be in close proximity with interstate natural gas pipeline facilities.

RESPONSE:

The Proposed Route was identified during the NEPA process as the BLM Preferred Alternative Route, and brought forward in SunZia's CEC Application as the Proposed Route, because it maximizes co-location with existing infrastructure, including natural gas pipelines. Please review Appendix C for a table and maps provided with these Responses for the information sought by BG 1.6.

- a. In regards to any natural gas pipeline facilities (interstate or intrastate) within close proximity to project facilities, has the Applicant already prepared any cathodic studies to demonstrate lack of impacts of operation of project facilities on such natural gas pipelines?

RESPONSE:

The Applicant has been provided EPNG's Standard Mitigation Reimbursement and Road Access and Maintenance agreements and is fully aware of the cathodic protection countermeasures that will be required. The supporting studies will be prepared during final project engineering and design.

BG 1.7 Regarding the needs and benefits cited by the Applicant on page two of the executive summary, please provide all additional documentation SunZia has in regard to those needs and benefits including any quantification.

The question is vague and ambiguous, as it requests "all documentation" without defining or identifying what would be responsive to the unqualified interrogatory. Subject to the General Objection and without waiving the ability to object to this subject-matter in the future as irrelevant, overbroad, vague and ambiguous, SunZia provides the following response.

RESPONSE:

Documentation supporting this response is contained in the CEC Application (previously provided and also available in electronic and searchable format at http://www.sunzia.net/resources_documents.php) and contained in the FEIS, or appendices thereto (previously provided and also available in electronic and searchable format at http://www.sunzia.net/resources_documents.php). The response below is a summary of the salient provisions and points of the documentation.

Increases in energy and power transfer capability and improved transmission reliability are consequences of adding two 500 kV transmission lines to the interconnected grid. Transmission congestion in the area of WECC Path 47 will be alleviated by the introduction of SunZia's transmission facilities. WECC Path 47 is currently rated at 1,047 MW. SunZia adds a minimum of 3,000 MW of incremental path capability across southern NM to AZ. The development of solar and wind renewable resources is made possible by the project's new transmission capacity, see pages 1-5 through 1-9 of the FEIS for additional

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
TO STAFF'S FIRST SET OF DATA REQUESTS
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documentation of the project's purpose and need. In particular, Table 1-1 includes data on the renewable energy and transfer capability that is needed in order for Arizona to meet its state renewable portfolio standard of 15 percent by 2025.

The SunZia Project benefits Arizona by providing needed increases in energy and power transfer capability and improved transmission reliability. Consequently, the Project will: (1) reduce existing transmission congestion; (2) support the development and transmission of renewable energy resources, such as solar and wind energy, currently located within areas of undeveloped renewable resource potential; (3) provide power to help meet future electricity demand in Arizona; (4) provide a strategic option for Arizona, and its utilities, to comply with increasingly burdensome federal air quality standards; and (5) provide needed jobs and state and local revenues. The SunZia Project will enable the delivery of renewable energy essential for achieving compliance with existing and pending federal air quality standards. By 2025, Arizona's Renewable Energy Standard and Tariff requires regulated electric utilities to generate 15 percent of total energy from renewable energy technologies, and beginning in 2025, a significant reduction in carbon dioxide ("CO2") emissions from electricity generating units is required by the Environmental Protection Agency's ("EPA") final rules regarding the Clean Power Plan. The Clean Power Plan can be found online, in an electronic and searchable format, at: <http://www2.epa.gov/sites/production/files/2015-08/documents/cpp-final-rule.pdf> (last visited on September 22, 2015) and attached as Appendix D. To meet the Clean Power Plan emission reduction requirement in Arizona, utilities will likely need to reduce reliance on high-emitting CO2 coal-fired power plants and obtain electricity production resources for retail loads from zero-emitting renewable energy projects. In addition, another pending regulation affecting Arizona incumbent utilities is EPA's final revised ozone standard, expected to be promulgated in October 2015. This new federal rule will likely further limit the development of new, and major modifications of existing, fossil fuel power plants in Arizona.

The Project will also provide needed jobs and revenue in Arizona. The Project will provide significant employment opportunities during its anticipated construction period (over 2500 jobs in Arizona); tax benefits through property, state, and local taxes; and significant revenue to ASLD.

The complete details of the jobs, wages paid and state and local tax revenues created by the project are found in Appendix G of the FEIS: SunZia Economic Impact Assessment ("EIA") and EIA Supplement: The economic impacts of both the SunZia Transmission Project's construction and operation, and the construction and operation of potential renewable generation facilities SunZia would enable, are analyzed in the study. These analyses were provided by the joint study of the University of Arizona and New Mexico State University.

BG 1.8 Please explain the reasons/benefits for placing Willow Substation in its proposed location.

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RESPONSE:

The Willow-500 kV Substation is located in the area of the physical confluence of Tucson Electric Power Company's two Springerville-Vail 345 kV transmission lines and Southwest Transmission Cooperative's Apache-Greenlee 230 kV transmission line.

The Willow-500 kv Substation was also located in an area with solar resources, and to provide another interconnection point within Arizona.

BG 1.9 Does SunZia anticipate any other interconnection locations in the future in Arizona beyond Pinal Central and Willow? If so, please explain.

RESPONSE:

The Applicant does not have any intentions of adding additional interconnections within Arizona at this time and is not requesting approval for any other interconnections in Arizona. Under the terms and conditions of the aforementioned FERC Declaratory Order, should such interconnection requests materialize, the Order will dictate how the Applicant will respond to such requests.

BG 1.10 If the Western Area Power Administration's Southline Transmission Project is constructed, how does that impact the need for the SunZia project or any other aspect of the SunZia project?

Subject to the General Objection and without waiving the ability to object to this subject-matter in the future as irrelevant and overbroad, SunZia provides the following response:

RESPONSE:

Construction of the Southline Transmission project would not impact the need for the SunZia Southwest Transmission Project. Based on the Applicant's understanding of the proposed interconnections of the Southline Project, the SunZia Project will provide electrical improvements to the provision of system transmission transfer capability that are not provided by the Southline Project. Also, please note that the Southline Project is NOT a project of the Western Area Power Administration ("Western:"). Western is the co-lead federal agency (along with the Bureau of Land Management) that is conducting an Environmental Impact Statement on the project's federal right-of-way application. The Southline Project is owned by Hunt Transmission that is located in Dallas, Texas. Additionally, Southline has a proposed capacity of 1000MW and is not targeting the constrained wind region of central New Mexico.

135 FERC ¶ 61,169
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinohoff, Chairman;
Marc Spitzer, Philip D. Moeller,
John R. Norris, and Cheryl A. LaFleur.

SunZia Transmission, LLC

Docket No. EL11-24-000

ORDER ON PETITION FOR DECLARATORY ORDER

(Issued May 20, 2011)

1. On February 23, 2011, SunZia Transmission, LLC (Petitioner) filed a petition for declaratory order (Revised Petition) seeking Commission approval of its proposal to allocate ownership rights¹ and offer capacity at negotiated rates, including through pre-subscribed contracts for the SunZia Southwest Transmission Project (Project), a transmission project it is currently developing in New Mexico and Arizona. Additionally, Petitioner requests the Commission to find that electrical interconnection or transmission service requests are premature prior to the Project achieving sufficient permitting and licensing maturity. The Commission grants Petitioner's requests regarding its proposed ownership structure and plans to offer capacity at negotiated rates, and denies, due to insufficient information, its request for a finding that electrical interconnection or transmission service requests are premature, as discussed below.

I. Background

2. On January 29, 2010, in Docket No. EL10-39-000, Petitioner filed a request for declaratory order (Initial Petition) seeking Commission approval of the ownership structure and transmission service plans for the Project. Petitioner requested that the Commission find the following: (1) each investor in SunZia Transmission, LLC may be

¹ As discussed below, the "SunZia Owners" are SouthWestern Power Group (SW Power), ECP SunZia, LLC (ECP SunZia), Shell WindEnergy, Inc. (Shell WindEnergy), and Tucson Electric Power Company (Tucson Electric). We will refer to the developers of the Project, which are the SunZia Owners as well as Salt River Project Agricultural Improvement and Power District (Salt River) and Tri-State Generation and Transmission Association, Inc. (Tri-State) as "Project Sponsors," collectively.

allocated firm transmission rights representing 100 percent of its respective *pro rata* investment in the transmission capacity of the Project; (2) three owners of the Project, SW Power, ECP SunZia, and Shell WindEnergy may use up to 100 percent of their *pro rata* share of capacity on the Project to serve affiliated generators that are Qualifying Facilities (QF) or eligible facilities of Exempt Wholesale Generators (EWG) with no resulting jeopardy to their QF or EWG status; and (3) SW Power and ECP SunZia may pre-subscribe up to 100 percent of their *pro rata* shares of the Project's transmission capacity through negotiated rate contracts.

3. In an order issued on May 20, 2010,² the Commission denied Petitioner's requested approvals without prejudice to Petitioner modifying its proposal to conform to Commission precedents and policy regarding open access to transmission service. The Commission found that the SunZia Owners may have ownership shares in the Project in proportion to their *pro rata* investment in the Project. However, the Commission found that this does not equate to these entities having exclusive discretion to use the capacity on their portion of the Project in any manner they wish.³ The Commission stated that each of the SunZia Owners is responsible for providing access to firm transmission service rights on their respective allotted portion of the Project consistent with the Commission's open access policies.⁴ The Commission also disagreed with Petitioner's characterization of the Project as a generator tieline as the physical attributes and flexible use of the Project were beyond those of a generator tieline. To the extent that SW Power, ECP SunZia, and Shell WindEnergy proposed to use up to 100 percent of their *pro rata* share of capacity on the Project to serve affiliated generators, the Commission found that granting these affiliates of SW Power, ECP SunZia, and Shell WindEnergy priority rights to 100 percent of the available capacity on these transmission owner's shares of the Project did not appear to allow non-affiliates open, transparent, and non-discriminatory access to their transmission systems. The Commission also found that SW Power and ECP SunZia may not allocate 100 percent of their respective shares of the Project's capacity to anchor customers through negotiated rates without making any initial capacity available to third parties through an open season.

II. Revised Petition

4. Petitioner states that the Revised Petition limits its requested approvals to conform with the Commission's findings and guidance provided in the May 2010 Order.

² *SunZia Transmission, LLC*, 131 FERC ¶ 61,162 (2010) (May 2010 Order).

³ *Id.* P 25.

⁴ *Id.* P 26.

Accordingly, Petitioner states that it no longer seeks firm transmission rights, as opposed to ownership interests in the Project for the SunZia Owners, and it no longer seeks reservation of capacity on the Project for generator tieline use.

5. Petitioner requests that the Commission find the following: (1) that each SunZia Owner has ownership rights in the Project representing 100 percent of its *pro rata* investment in the Project; (2) that SW Power, ECP SunZia, and Shell WindEnergy may allocate up to 50 percent of their *pro rata* shares of the Project's transmission capacity to anchor customers through long-term firm negotiated rate contracts, with the remaining 50 percent to be made available to interested customers through open seasons; and (3) that electrical interconnection or transmission service requests with respect to the Project are premature prior to the Project achieving sufficient permitting and licensing maturity.⁵

6. With regard to the Project specifics, Petitioner states that it is developing a 500 kV transmission line in New Mexico and Arizona. The Project will consist of up to two single-circuit 500 kV transmission lines approximately 500 to 550 miles in length, and will extend to key interconnections with the underlying extra high voltage (EHV) grid in New Mexico and Arizona. Petitioner explains that the Project will link approximately 3,000 to 4,500 MW of primarily renewable location-constrained generation resources in New Mexico and Arizona with markets and customers in the western United States. Petitioner also states that the Project will increase and improve the reliability and system power transfer capability of the underlying EHV system in New Mexico and Arizona.

7. Petitioner states that planning for the Project began in 2006, including an open season for Project investment. An agreement among initial sponsors to proceed with Project development was entered into in April 2008. Petitioner adds that the Bureau of Land Management (BLM) began environmental review of the Project pursuant to the National Environmental Policy Act in June 2009. Petitioner anticipates that BLM's draft environmental impact statement for the Project, which it states is a critical first step to further detailed design and commercial development, will be completed during May 2011. The Project is scheduled to be in service in 2015.⁶

⁵ Petitioner asks that this last request be treated separately from the other requests, and that the Commission not delay issuance of a separate order on the first two requests, in the event that this request requires additional Commission consideration. *See id.* at 3 n.5.

⁶ Revised Petition at 4-5.

8. In regard to ownership of the Project, Petitioner indicates that it is sponsoring the Project directly with Salt River,⁷ and Tri-State⁸ with Petitioner, Salt River, and Tri-State owning 86 percent, 13 percent, and 1 percent, respectively as tenants in common. Petitioner adds that the Project is sponsored indirectly by Petitioner's own individual owners Tucson Electric Power Company (Tucson Electric), SW Power, ECP SunZia, and Shell WindEnergy (collectively, SunZia Owners).⁹ Petitioner states that its 86 percent of the Project will be allocated to each of the SunZia Owners in proportion to their investments in the Project as follows: Tucson Electric, 1 percent; SW Power, 40 percent; ECP SunZia, 40 percent; and Shell WindEnergy Inc., 5 percent.

9. Petitioner explains that Tucson Electric is an investor-owned utility with a franchised service territory, which owns transmission facilities in Arizona and New Mexico and has a Commission-approved open access transmission tariff (OATT) for these facilities.¹⁰ Petitioner states that SW Power is an independent developer of generation and transmission facilities. SW Power is owned by MMR Group, Inc., a privately-owned construction services firm based in Baton Rouge, Louisiana. Petitioner also states that except for the Bowie Power Station in southeastern Arizona, which SW Power is currently developing, SW Power is not affiliated with any electric utility that serves load or has a franchised service territory.¹¹ Petitioner adds that in October 2010, MMR Group, Inc. purchased ECP SunZia; therefore, ECP SunZia is currently a wholly-owned subsidiary of MMR Group, Inc., and an affiliate of SW Power.¹² Petitioner

⁷ Salt River is a political subdivision of the State of Arizona that owns and operates electric facilities, including transmission facilities. *See* May 2010 Order, 131 FERC ¶ 61,162 at P 4 n.2.

⁸ Tri-State is an electric cooperative corporation that generates and transports electricity to its members' systems located in New Mexico, Colorado, Nebraska, and Wyoming. *See id.* P 4 n.3.

⁹ Revised Petition at 7-8.

¹⁰ *Id.* at 6 n.10.

¹¹ *Id.* at 6 n.11.

¹² Petitioner notes that ECP SunZia was previously wholly-owned by Energy Capital Partners I, LP and its parallel funds (collectively, ECP). Petitioner states that ECP SunZia currently has no affiliation with ECP and ECP's other project companies, including renewable generation developers in the southwest U.S. and Green Energy Express LLC.

indicates that Shell WindEnergy is a wholly-owned subsidiary of Shell Oil Company and is not affiliated with any transmission or distribution facilities in the United States, except for limited interconnection facilities necessary to connect its own generation facilities to the transmission grid or those consisting of distribution facilities interconnected with the grid and serving particular production fields for oil and gas. Petitioner states that Shell WindEnergy has an ownership interest in eight operational wind-powered generation facilities in the United States with a total gross capacity of nearly 900 MW and that none of Shell WindEnergy's affiliates is an electric utility that serves load or has a franchised service territory.¹³

10. Concerning operations of the Project, Petitioner explains that there will be one operation and maintenance manager designated by the Petitioner and that the Project Sponsors will develop a coordinated ownership and operating agreement, which Petitioner will file with the Commission to ensure uniform, transparent, and nondiscriminatory usage rights on the Project, responsibility for operation of the Project, transmission planning, and interconnection and expansion policies.¹⁴

11. Petitioner also states that Tucson Electric, Salt River, and Tri-State will make their shares of the Project available under their existing OATTs. SW Power, ECP SunZia, and Shell WindEnergy anticipate filing separate OATTs for their *pro rata* shares of the Project, which will include a uniform process for requesting interconnection and transmission service, including the procedures for requesting expansion of the Project.¹⁵ Petitioner notes that ECP SunZia and SW Power may file a single OATT for their combined shares of Project capacity due to their common ownership by MMR Group, Inc. In addition, SW Power, ECP SunZia, and Shell WindEnergy may establish a single Open Access Same-Time Information System (OASIS) administrator.¹⁶

12. Further, Petitioner states that the Project Sponsors (i.e., the SunZia Owners, Salt River, and Tri-State) have funded approximately \$16 million for the Project's development and anticipate having to fund an additional \$10 million prior to securing licenses, permits, rights-of-way, engineering, procurement, and construction and permanent financing for the Project. Petitioner asserts that with such significant private funds at stake, the Project Sponsors desire regulatory certainty as to fundamental aspects

¹³ Revised Petition at 6 n.13.

¹⁴ *Id.* at 11.

¹⁵ *Id.* at 10 – 11.

¹⁶ *Id.* at 11, 16 n.32.

of the Project before completing the development phase. Therefore, Petitioner states it seeks Commission approval of the capacity allocation principles set forth in the Revised Petition by the end of April 2011 to allow the Project to proceed as planned in May 2011 when the Draft Environmental Impact Statement is expected to be issued.

III. Notice of Filing

13. Notice of Petitioner's revised filing was published in the *Federal Register*, 76 Fed. Reg. 12957 (2011), with interventions and protests due on or before March 17, 2011. None was filed.

IV. Discussion

1. Allocation of Ownership Rights

a. Petitioner's Position

14. Petitioner requests that the Commission confirm that each SunZia Owner owns that portion of the Project equal to its *pro rata* share of its investment in the Project. Petitioner explains that it requests this explicit finding in order to eliminate any uncertainty created by the fact that the SunZia Owners own their *pro rata* shares of the Project indirectly through SunZia Transmission, LLC. Petitioner explains that in the May 2010 Order, the Commission determined that the Commission's open access policies govern the extent to which investment in a transmission project grants a party transmission service rights, and that the SunZia Owners do not have exclusive rights to use the Project capacity equal to their share of investment in the Project.¹⁷ Petitioner states that the Commission also determined that each of the SunZia Owners is a transmission owner/provider of Project capacity in proportion to its investment in the Project, because each invested in the Project in response to an open season for investment and committed to fund the Phase I Project development cost.¹⁸

b. Commission Determination

15. In the May 2010 Order, the Commission found that each of the SunZia Owners is a transmission owner/provider of Project capacity in proportion to its investment in the Project, because each invested in the jurisdictional portion of the Project by way of an investment in SunZia Transmission, LLC.¹⁹ Moreover, the SunZia Owners, in addition to

¹⁷ *Id.*

¹⁸ *Id.* at 8 (citing May 2010 Order, 131 FERC ¶ 61,162 at P 24-25).

¹⁹ May 2010 Order, 131 FERC ¶ 61,162 at P 25.

Salt River and Tri-State, executed a Memorandum of Agreement under which the parties agreed to invest approximately \$26 million in total, on a *pro rata* basis, to cover the Phase I development costs.²⁰ Petitioner has not presented any additional information in its Revised Petition to alter the Commission's determination in the May 2010 Order. Accordingly, the Commission affirms that the SunZia Owners have ownership shares in the Project indirectly through SunZia Transmission, LLC in proportion to their *pro rata* investment in the Project.

2. Request for Negotiated Rate Authority

16. In addressing requests for negotiated rate authority from merchant transmission developers, the Commission has demonstrated a commitment to fostering the development of such projects where reasonable and meaningful protections are in place to preserve open access principles and to ensure that the resulting rates for transmission service are just and reasonable. The Commission, in recognizing the financing realities faced by merchant transmission developers and the customer-protection mandates of the Federal Power Act (FPA) and the Commission's open access requirements, has refined its approach on how it determines whether to grant negotiated rates.²¹ Specifically, the Commission has focused on the following four areas of concern: (1) the justness and reasonableness of rates; (2) the potential for undue discrimination; (3) the potential for undue preference, including affiliate preference; and (4) regional reliability and operational efficiency requirements.²² This approach allows the Commission to use a consistent analytical framework to evaluate requests for negotiated rate authority from a wide range of merchant projects that can differ substantially from one project to the next.²³

17. As discussed below, Petitioner's proposal to allow SW Power, ECP SunZia and Shell WindEnergy to offer transmission service over the Project under negotiated rate authority, addresses these four concerns.

²⁰ *Id.*

²¹ See *Chinook Power Transmission, LLC*, 126 FERC ¶ 61,134 (2009) (*Chinook*).

²² See *id.* P 37.

²³ *Tres Amigas LLC*, 130 FERC ¶ 61,207, at P 38 (2010) (*Tres Amigas*).

a. **Just and Reasonable Rates**

i. **Petitioner's Position**

18. Petitioner proposes that SW Power, ECP SunZia, and Shell WindEnergy be allowed to enter into long-term firm transmission contracts with unaffiliated anchor tenants for up to 50 percent of their *pro rata* shares of the Project.²⁴ Petitioner asserts that “[i]n the May 2010 Order, the Commission acknowledged the pro-competitive market forces that will apply downward pressure on the negotiated rates that [SW Power], ECP SunZia, or [Shell WindEnergy] may charge for use of the Project.”²⁵ Petitioner states that none of SW Power, ECP SunZia, or Shell WindEnergy has affiliates with traditionally regulated transmission systems and the ability to pass through costs to captive customers. According to Petitioner, in the May 2010 Order the Commission noted the potential for expansion on neighboring public utilities’ systems with service at cost-based rates, the obligation of the SunZia Owners to expand if a third party requests service on the Project beyond the available initial capacity, and the fact that transmission customers on either end of the Project have no obligation to purchase service from any SunZia Owner and would do so only if it is cost effective. Petitioner also asserts that the Initial Petition and the May 2010 Order “clearly established that each of the SunZia Owners has assumed the full market risk for the cost of constructing its share of the Project.”²⁶

19. Petitioner also asserts that the Revised Petition addresses the Commission’s concern in the May 2010 Order that no initial capacity was proposed to be made available to interested customers in an open season.²⁷ Petitioner states that it is committed to making initial capacity available to interested customers in an open season and that SW Power, ECP SunZia, and Shell WindEnergy each proposes to pre-subscribe no more than 50 percent of their *pro rata* shares of the Project to unaffiliated anchor customers through long-term firm negotiated rate contracts and to allocate the remaining initial capacity through open seasons. Petitioner asserts that its revised anchor tenant proposal satisfies the Commission’s just and reasonable rate criterion for granting negotiated rate authority.

²⁴ Revised Petition at 8.

²⁵ *Id.* at 12.

²⁶ *Id.*

²⁷ *Id.* at 12-13 (citing May 2010 Order, 131 FERC ¶ 61,162 at P 44-45).

ii. Commission Determination

20. In determining whether negotiated rate authority would be just and reasonable, the Commission has looked at a number of different merchant transmission provider characteristics, including: whether it has assumed the full market risk of the project; whether it is building within the footprint of its own (or an affiliate's) traditionally regulated transmission system with captive customers; whether the merchant transmission provider or affiliate already owns transmission facilities in the particular region of the project; whether it has committed to a fair, open and transparent open season for the initial allocation of capacity; what alternative the customers have; whether any barriers to entry among competitors exist that would allow the merchant transmission provider to exercise market power for an excessive period of time; and whether the merchant transmission provider has the ability to withhold capacity.²⁸ Additionally, the Commission requires merchant transmission providers retaining control of their projects to create firm tradable secondary transmission rights and to create and maintain an OASIS for customers to purchase and sell these rights.²⁹

21. With regard to the Commission's concern as to whether merchant transmission providers have affiliates with traditionally regulated transmission systems that enable them to pass on costs to captive customers, SW Power, ECP SunZia, and Shell WindEnergy satisfy this concern, because none of them has any such affiliates. Further, regarding competitive alternatives that customers may have to a merchant transmission project, we note that the Project will interconnect with or near public utilities, from which customers may secure service under cost-based rates. Therefore, the potential for expansion on neighboring public utilities' systems and the cost-based rates associated with such expansion provides some alternatives to the Project and downward pressure on the negotiated rates that SW Power, ECP SunZia, and Shell WindEnergy could charge.³⁰ Furthermore, a transmission customer on either end of the Project would not be required to purchase transmission service from SW Power, ECP SunZia, or Shell WindEnergy. Such transmission customer could opt to purchase transmission service from SW Power, ECP SunZia, or Shell WindEnergy, or could purchase service from other transmission providers in the area of the Project to the extent it were cost effective to do so.³¹

²⁸ *Tres Amigas LLC*, 130 FERC ¶ 61,207 at P 44. See also *Chinook*, 126 FERC ¶ 61,134 at P 38; *Montana Alberta Tie., Ltd.*, 116 FERC ¶ 61,071, at P 53-54 (2006).

²⁹ *Chinook*, 126 FERC ¶ 61,134 at P 39.

³⁰ *Id.*

³¹ *Id.* P 57.

22. SW Power, ECP SunZia, and Shell WindEnergy are new entrants into the transmission market and are therefore not increasing their presence in the area, nor do they have local affiliates that own transmission facilities in the region. Moreover, once the Project is operational, the Commission's open access requirements will ensure that SW Power, ECP SunZia, and Shell WindEnergy cannot effectively erect barriers to entry into the relevant markets. Petitioner agrees that SW Power, ECP SunZia, and Shell WindEnergy will file with the Commission separate OATTs that will provide third parties with a transparent and uniform process for requesting electrical interconnection and transmission service after the initial capacity subscriptions, including the procedures

for requesting expansion of the Project to accommodate such requests.³² In addition, Petitioner commits that all customers with rights to use Project capacity will retain firm tradable secondary rights with respect to their contracted capacity.³³ Further, SW Power, ECP SunZia, and Shell WindEnergy will maintain a single OASIS to ensure uniformity of customer treatment, and one operations and maintenance (O&M) manager will be designated for the Project.

23. Furthermore, we find to be just and reasonable Petitioner's proposal that SW Power, ECP SunZia, and Shell WindEnergy reserve 50 percent of their respective shares of the Project's capacity for negotiated-rate, anchor customer arrangements with the remaining 50 percent of the initial capacity to be allocated in open seasons.³⁴ Reserving 50 percent of the respective shares of the Project's capacity owned by SW Power, ECP SunZia, and Shell WindEnergy for anchor customer arrangements means that a significant amount of the initial capacity of the Project will be available to customers in open seasons.

24. These factors, in addition to Petitioner's commitment to hold open seasons, including hiring an independent consultant to evaluate the open season results and filing the evaluation as part of the open season report,³⁵ and its commitment to provide service

³² Petitioner states that SW Power and ECP SunZia may elect to file a single OATT with respect to their combined shares of the Project capacity given MMR Group, Inc.'s recent acquisition of ECP SunZia. Revised Petition at 11 n.23.

³³ *Id.* at 8.

³⁴ See *Chinook*, 126 FERC ¶ 61,134 at P 60 (accepting proposal to reserve 50 percent of two merchant projects' initial capacities for anchor tenant arrangements with the remaining 50 percent to be made available in open seasons).

³⁵ Revised Petition at 9.

pursuant to Commission-approved OATTs lead us to conclude that Petitioner's proposal has met the first prong of the four-factor test.

b. Undue Discrimination

i. Petitioner's Position

25. Petitioner notes that in the Initial Petition it discussed the difficulties that the merchant transmission developers of the Project (i.e., SW Power, ECP SunZia, and Shell WindEnergy) face in financing their shares of the Project and the resultant need for long-term financial commitments by anchor customers prior to an open season to support their up-front financing risks associated with the Project. Petitioner states that in the Revised Petition, SW Power, ECP SunZia, and Shell WindEnergy each commits to allocating at least 50 percent of its *pro rata* share of initial capacity on the Project through open seasons, and to offering the same rates, terms, and conditions to customers under the open season as offered to anchor customers, assuming equal or superior creditworthiness of the customers.³⁶ Petitioner asserts that SW Power, ECP SunZia, and Shell WindEnergy each commits not to allocate any of its pre-subscribed share of the Project capacity (i.e., that share of capacity subject to anchor customer arrangements) to any of its own affiliates.

26. Additionally, Petitioner adds that while SW Power and ECP SunZia now are affiliated with each other, SW Power and ECP SunZia, on the one hand, and Shell WindEnergy, on the other, are not affiliated by virtue of their joint investment in the Project. Petitioner asserts that SW Power, ECP SunZia, and Shell WindEnergy commit not to be anchor tenants on their own or affiliates' portions of the Project, but SW Power and ECP SunZia and Shell WindEnergy request that the Commission allow each of them and their respective affiliates to negotiate anchor tenant arrangements with respect to capacity owned by their unaffiliated co-investors, i.e., Shell WindEnergy as anchor tenant on capacity owned by SW Power or ECP SunZia and SW Power and ECP SunZia as anchor tenant on capacity owned by Shell WindEnergy. Petitioner adds that consistent with Commission precedent, affiliates of SW Power, ECP SunZia, or Shell WindEnergy may bid for service on Project capacity owned by their affiliates in the initial or subsequent open seasons.³⁷ Petitioner asserts that with the procedural safeguards it has

³⁶ *Id.* at 13. If a party believes it has been treated in an unduly discriminatory manner while seeking to participate in an open season, it may avail itself of its rights under section 206 of the FPA. *See Sacramento Municipal Utility Dist. V. FERC*, 616 F.3d 520, 542 (D.C. Cir. 2010) (*SMUD v. FERC*).

³⁷ *Id.* at 10 n.22 (citing *Sea Breeze Pacific Juan de Fuca Cable LP*, 112 FERC ¶ 61,295, at P 29 (2005); *Neptune Regional Transmission System, LLC*, 103 FERC

(continued...)

committed to in the Revised Petition, including offering the same terms to customers in the initial open seasons with equal or superior creditworthiness that commit to the same term of service, there is no opportunity for undue preference to affiliates or otherwise.

27. Finally, Petitioner maintains that SW Power, ECP SunZia, and Shell WindEnergy do not intend to provide ancillary services. Petitioner asserts that because SW Power, ECP SunZia, and Shell WindEnergy will not own generation supporting their *pro rata* shares of the Project and therefore lack the means to provide generation based ancillary services, provision of ancillary services by these entities is not practical.

ii. **Commission Determination**

28. The Commission looks specifically at the merchant transmission owner's open season and OATT commitments in determining whether negotiated rate authority could lead to undue discrimination on a particular transmission project. Here, in addition to Petitioner's commitments stated above in the discussion of just and reasonable rates, Petitioner states that SW Power, ECP SunZia, and Shell WindEnergy will each file with the Commission a report on the process used to identify the anchor customers and the details of the associated agreement. Additionally, Petitioner commits to make an FPA section 205 filing with the Commission to seek authorization for anchor customer transactions identified after the allocation of each of SW Power's, ECP SunZia's, Shell WindEnergy's initial capacity.³⁸

29. Petitioner also commits that SW Power, ECP SunZia, and Shell WindEnergy will adopt non-discriminatory OATT provisions, as well as the other books and records commitments made in its Initial Petition. Specifically, after commercial operation, SW Power, ECP SunZia, and Shell WindEnergy commit that: (1) books and records for SW Power, ECP SunZia, and Shell WindEnergy will comply with the Commission's Uniform System of Accounts (Part 101 of FERC's regulations) and will be subject to examination as required by Part 41 of the Commission's regulations; (2) SW Power, ECP SunZia, and Shell WindEnergy will file financial statements and reports in accordance with Part 141 of the Commission's regulations; and (3) the books and records of SW Power, ECP

¶ 61,213, at P 21-22 (2003)).

³⁸ *Id.* at 9.

SunZia, and Shell WindEnergy will be audited by independent auditors.³⁹ These commitments will assist the Commission in carrying out its oversight role and in ensuring that SW Power, ECP SunZia, and Shell WindEnergy continue to honor the commitments they assume in the Revised Petition.

30. Moreover, SW Power, ECP SunZia, and Shell WindEnergy are required to file OATTs that adhere to the Order No. 890⁴⁰ *pro forma* OATT prior to service commencing on their individual portions of the Project. Any deviations from the *pro forma* OATT must be supported and will be evaluated by the Commission when they are submitted so as to ensure that SW Power, ECP SunZia, and Shell WindEnergy will provide open and nondiscriminatory service on their portion of the Project.

31. Under the Commission's policies, transmission providers must offer or provide ancillary services under their OATTs.⁴¹ However, the Commission has recognized that this may not be practical in some instances, such as when a merchant transmission developer does not own generation and therefore lack the means to offer or provide generation-based ancillary services.⁴² Thus, the Commission has found that to the extent a merchant transmission developer is not in a position to offer or provide ancillary services, it should negotiate in the transmission service agreements it enters into with its customers as to how ancillary services for the project will be supplied.⁴³ SW Power, ECP SunZia, and Shell WindEnergy commit to do so.

³⁹ *Id.* at 14 n.29.

⁴⁰ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

⁴¹ See Order No. 890 FERC Stats. & Regs. ¶ 31,241 at *pro forma* OATT section 3 (Ancillary Services) (providing that transmission providers are required to provide (or offer to arrange with the local control area operator), and the transmission customer is required to purchase, the following ancillary services: (i) scheduling, system control and dispatch, and (ii) reactive supply and voltage control from generation or other sources).

⁴² See *Chinook*, 126 FERC ¶ 61,134 at P 64.

⁴³ *Id.*

32. Therefore, for the reasons discussed above the Commission finds that Petitioner's proposal including the commitments made herein should not lead to undue discrimination and therefore meets the second prong of the four-factor test.

c. Undue Preference and Affiliate Concerns

i. Petitioner's Position

33. Petitioner asserts that SW Power, ECP SunZia, and Shell WindEnergy commit not to use any of their respective shares of the Project for affiliated generation through the anchor tenant arrangements.⁴⁴ However, as discussed above, Petitioner states that generation affiliates of SW Power and ECP SunZia, on the one hand, or Shell WindEnergy, on the other, may seek to subscribe to long-term transmission service arrangements through the anchor customer process with each other. Petitioner explains that even though each of SW Power, ECP SunZia, and Shell WindEnergy is affiliated with SunZia, and SW Power and ECP SunZia are currently affiliated with each other, SW Power and ECP SunZia are not affiliated with Shell WindEnergy.⁴⁵ Petitioner further proposes that the remaining initial transmission capacity not secured by anchor tenants will be allocated to customers through initial open seasons by each of SW Power, ECP SunZia, and Shell WindEnergy.⁴⁶

34. In addition, as noted above, Petitioner states that it will make an informational filing with the Commission for any anchor tenant transaction entered into pursuant to the Commission's authority granted in this docket, which will describe the principle terms of the agreement and the process used to identify customers. Petitioner reiterates that SW Power, ECP SunZia, and Shell WindEnergy commit to giving the same rates, terms, and conditions of service to any customer in the initial open seasons with equal or superior creditworthiness that is willing to agree to the same time commitment as an anchor customer. SW Power, ECP SunZia, and Shell WindEnergy again commit to make a future filing under section 205 of the FPA seeking authorization for any anchor customer arrangement entered into after the initial capacity commitments are made, but prior to the Project's commercial operation date.⁴⁷

⁴⁴ Revised Petition at 15.

⁴⁵ *Id.* at 15.

⁴⁶ Petitioner states that due to their common upstream ownership, SW Power and ECP SunZia may conduct a joint open season with respect to their shares of the Project.

⁴⁷ Petitioner states that any long-term transmission agreements entered into after

(continued...)

35. Further, Petitioner states that SW Power, ECP SunZia, and Shell WindEnergy each commits to comply with FERC's Standards of Conduct, as well as other affiliate rules and filing requirements. Petitioner indicates that open seasons for initial capacity held by each of SW Power, ECP SunZia, and Shell WindEnergy will comply with Commission precedent, will be fair, transparent, and nondiscriminatory, and will use an independent evaluator for its open season to preclude any issues that may arise to the extent that its affiliates of SW Power, ECP SunZia, and Shell WindEnergy bid into its open season. Petitioner commits to file open season reports with the Commission shortly after the close of the open seasons, which will include the terms of the open season, including notice of the open season and the bid evaluation methodologies, the identity of the parties purchasing capacity, and the amount, term, and price of that capacity.⁴⁸

36. Petitioner claims that in the open seasons each prospective generation affiliate will compete for transmission service rights through the same transparent and open processes applicable to all prospective customers so there will be no opportunity for undue preference.

ii. **Commission Determination**

37. In order to ensure that service on merchant transmission projects will not result in any undue preference to any particular entity, the Commission examines carefully situations where the merchant transmission developer is affiliated with the anchor customer, the open season participants, and/or customers that subsequently take service on the merchant line to ensure that there is sufficient transparency, openness and other protections in place to preclude unduly preferential treatment.⁴⁹

38. The Commission finds that although SW Power, ECP SunZia, and Shell WindEnergy are all co-investors in the Project, Shell WindEnergy is not an affiliate of either SW Power or ECP SunZia. That is, SW Power and ECP SunZia together and Shell WindEnergy are unaffiliated co-investors and are not affiliates in the same corporate family, which could raise concerns related to undue preference. Based on Petitioner's explanation herein, we therefore find that SW Power and ECP SunZia (together) are hereby permitted to enter into anchor tenant agreements with Shell WindEnergy and vice versa. In addition, we find that the open season process will also limit the potential for

the commercial operation date will be governed by the relevant OATT. Revised Petition at 9 n.20.

⁴⁸ *Id.* at 9.

⁴⁹ *Tres Amigas*, 130 FERC ¶ 61,207 at P 91; *Chinook*, 126 FERC ¶ 61,134 at P 48.

preferential treatment in the anchor tenant arrangements. As noted above SW Power, SunZia, and Shell WindEnergy each commits to allocating at least 50 percent of its *pro rata* share of initial capacity on the Project through open seasons, and to offering the same rates, terms, and conditions to customers under the open season as offered to anchor customers, assuming equal or superior creditworthiness of the customers.⁵⁰ Because they will need to offer the anchor tenant agreements to open season customers, SW Power, ECP Sunzia and Shell WindEnergy will be less likely to agree to preferential terms in negotiating anchor tenant arrangements. Additionally, Petitioner has committed to make an informational filing with the Commission for any anchor customer transaction describing the principal terms of the agreement and the process used to identify anchor customers.

39. Furthermore, the Commission finds that Petitioner's proposal for negotiated rate authority does not raise concerns regarding undue preference to affiliates because Petitioner commits that SW Power, ECP SunZia, and Shell WindEnergy each will not allocate any of its pre-subscribed share of the Project capacity to any of its own affiliates. The Commission interprets this to mean that, for example, SW Power commits that its Bowie Power Station affiliate will not be allowed to participate as an anchor customer on either SW Power's or ECP SunZia's portion of the Project. Accordingly, given Petitioner's commitment to comply with FERC's Standards of Conduct, other affiliate rules, and filing requirements, we find that the Revised Petition should not lead to any undue preference and affiliate concerns. Therefore, we find that Petitioner's Revised Proposal meets the third prong of the four-factor test.

d. Regional Reliability and Operational Efficiency

i. Petitioner's Position

40. Petitioner reaffirms the commitments made in the Initial Petition with respect to regional reliability and operational efficiency. Petitioner states that the Commission found, in the May 2010 Order, that the Petitioner's commitments in this regard were sufficient to satisfy this fourth prong of the Commission's negotiated rate analysis. Thus, Petitioner maintains that operation of the Project will be fully coordinated and efficient.⁵¹

⁵⁰ As noted above, if a party believes it has been treated in an unduly discriminatory manner while seeking to participate in an open season, it may avail itself of its rights under section 206 of the FPA.

⁵¹ Revised Petition at 16.

ii. **Commission Determination**

41. The Commission has previously found that in order to ensure regional reliability and operational efficiency, it expects that any merchant transmission projects connected to an Regional Transmission Organization (RTO) or Independent System Operator (ISO) turn over operational control to the RTO/ISO;⁵² however, in this case there is no RTO or ISO for the Project to connect to, as proposed. The Commission has also stated that while separate reliability requirements are no longer necessary for merchant transmission projects in light of the development of mandatory reliability requirements, the Commission has noted that merchant developers must comply with all applicable requirements of the North American Electric Reliability Corporation (NERC) and any regional council.⁵³

42. The Commission acknowledges that the Petitioner reaffirms the commitments made on ensuring regional reliability and operational efficiency of the Project. In the May 2010 Order, the Commission accepted that the Project continues to be evaluated and integrated into the coordinated regional planning processes conducted by the Western Electricity Coordinating Council (WECC) and the Southwest Area Transmission Subregional Planning Group.⁵⁴ Additionally, Petitioner commits to complying with all applicable NERC and WECC reliability requirements and procedures. The Project will have a single O&M manager to operate the Project, and that operator will be designated by SunZia Transmission, LLC. In addition, SW Power, ECP SunZia, and Shell WindEnergy intend to use a single OASIS administrator with respect to all of their shares of the Project capacity, and to participate in the Order No. 890 planning processes with utility systems with which the Project will interconnect.⁵⁵ Therefore, the Commission continues to find that the Project meets the regional reliability and operational efficiency requirements under the fourth prong of the Commission's negotiated rate authority analysis.

43. In conclusion, the Commission finds that the Project as described in the Revised Petition meets the requirements of the four-factor test used to evaluate merchant

⁵² *Tres Amigas*, 130 FERC ¶ 61,207 at P 95.

⁵³ *Id.*

⁵⁴ May 2010 Order, 131 FERC ¶ 61,162 at P 67.

⁵⁵ *Id.*

transmission projects for negotiated rate authority. Therefore, the Commission hereby grants negotiated rate authority to Petitioner for service on the Project.

3. Third Party Request for Transmission Service

a. Petitioner's Position

44. Petitioner requests a Commission finding that neither Petitioner nor any of the SunZia Owners be required to accept any electrical interconnection or transmission service requests with respect to the Project prior to the earlier of (1) publication in the *Federal Register* of the Final Environmental Impact Statement for the Project; or (2) notice by Petitioner to the Commission that Petitioner or the SunZia Owners are prepared to accept and process requests for electrical interconnection and transmission service.⁵⁶ In support of its request, Petitioner explains that, with the exception of Tucson Electric, neither Petitioner nor any of the SunZia Owners is a jurisdictional public utility with an OATT or other rate schedule on file with the Commission.⁵⁷ Accordingly, Petitioner argues that, to the extent the Project does not yet exist and neither SunZia nor the majority of the SunZia Owners are public utilities subject to Commission jurisdiction, it would be premature to accept requests for electrical interconnection or transmission service. In further support of its request, Petitioner argues that until various permitting and licensing activities are completed, construction costs are estimated, and a final project alignment is determined, it would not be possible to properly process any interconnection or transmission service requests. Petitioner also indicates that one or more third parties may already have an interest in submitting electrical interconnection and transmission requests for the Project to SunZia or the SunZia Owners.⁵⁸

a. Commission Determination

45. We will deny Petitioner's request because it has not provided sufficient information upon which to grant the request. Petitioner implies but does not state that it has received inquiries from third parties for capacity on the Project. Moreover, the timing of the solicitation for anchor tenant agreements and subsequent open seasons for transmission service is not known at this time. Bids from potential transmission

⁵⁶ Revised Petition at 18.

⁵⁷ *Id.* at 17.

⁵⁸ *Id.*

customers in the open seasons could be considered requests for transmission service. Petitioner has not explained how granting this request could affect service requests received during the open season bid solicitation process. Accordingly, Petitioner's request for a finding that third-party requests for electrical interconnection or transmission service requests are premature is denied.

The Commission orders:

(A) SW Power, ECP SunZia, and Shell WindEnergy are hereby granted authority to sell transmission rights at negotiated rates, subject to conditions discussed in the body of this order.

(B) SW Power, ECP SunZia, and Shell WindEnergy are hereby directed to file their OATTs in compliance with this order prior to the beginning of each of their open seasons.

(C) SW Power, ECP SunZia, and Shell WindEnergy are hereby directed to file a report of each of the open season's results with the Commission within 30 days of the close of each open season.

(D) SW Power, ECP SunZia, and Shell WindEnergy are hereby directed to make an informational filing with the Commission within 30 days of SW Power, ECP SunZia, or Shell WindEnergy entering any anchor tenant agreement, as discussed above.

(E) Petitioner's request for a finding that third-party requests for electrical interconnection or transmission service requests are premature is denied.

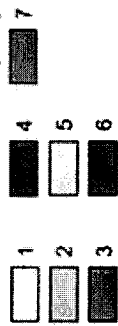
By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

Wind Resource

NREL Wind Power Class (50m)



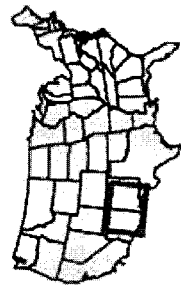
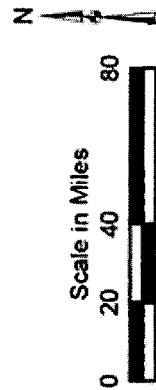
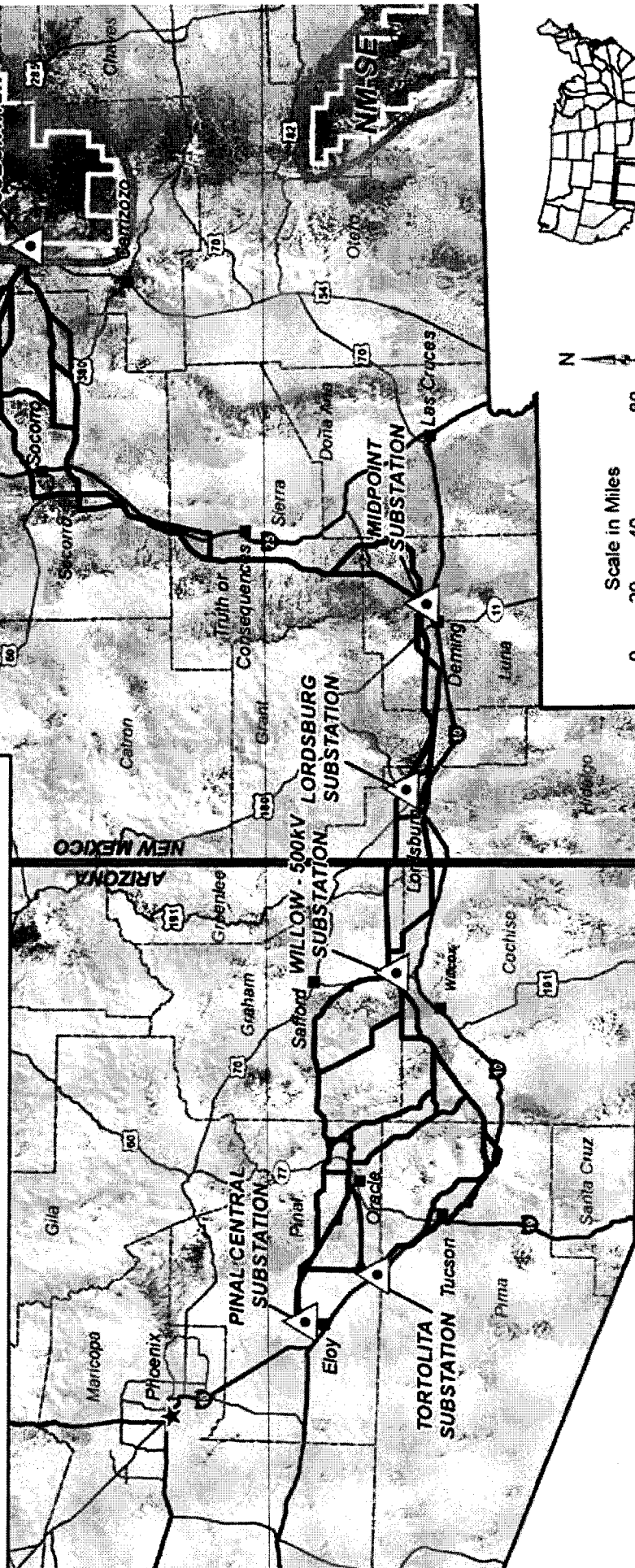
Qualified Resource Area (QRA)

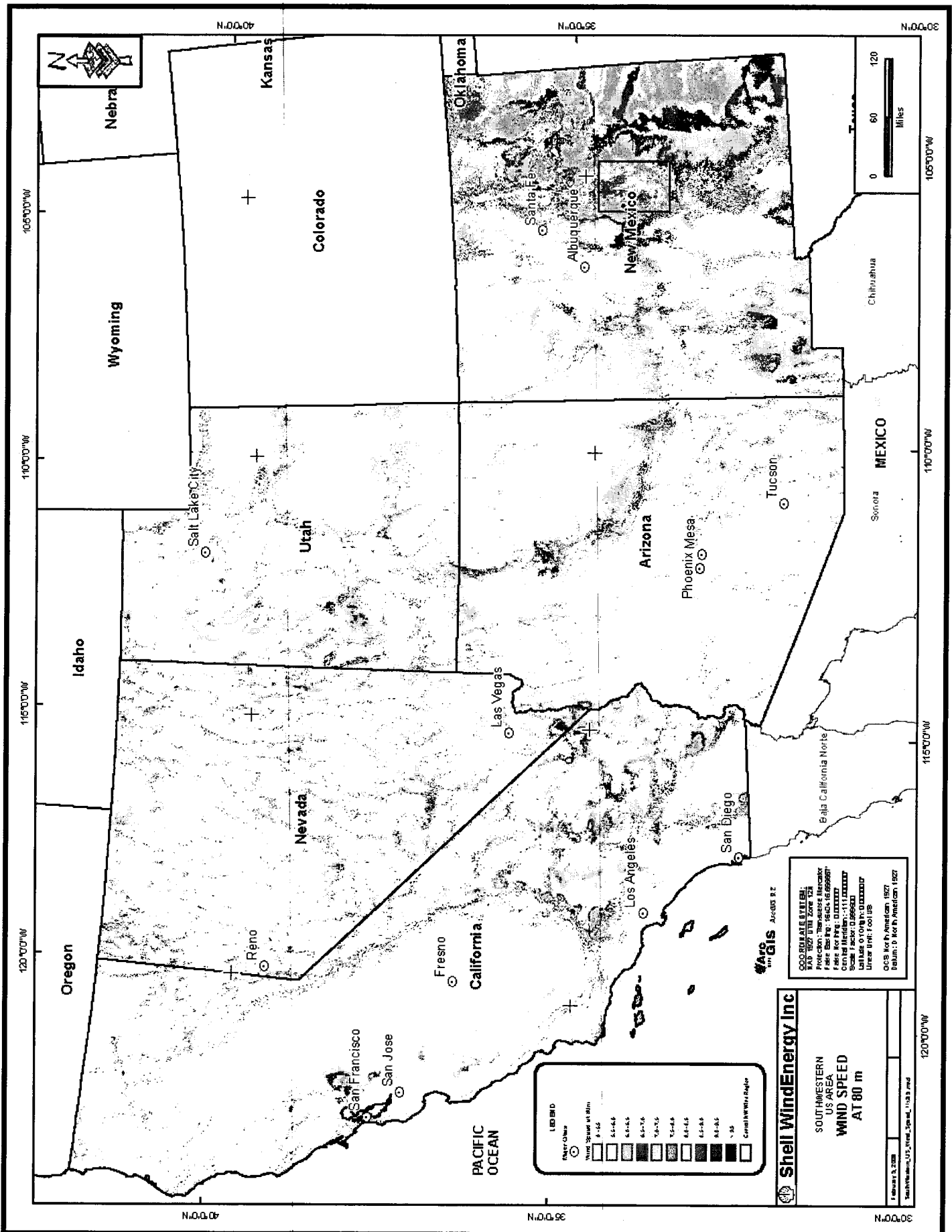
Area	Total MW
NM-EA	11,290
NM-SE	1,894

SunZia Transmission Project

- Substation Site
- Alternative Routes

Source: NREL, WREZ 2009





COORDINATE SYSTEM:
NAD 1983 UTM Zone 12N
Projection: Transverse Mercator
False Easting: 1600000.000000
False Northing: 0.000000
Central Meridian: -111.000000
Scale Factor: 0.999603
Latitude of Origin: 0.000000
Linear Unit: Foot US
Datum: NAD 1983
GCS North American 1983

Shell WindEnergy Inc
SOUTHWESTERN
US AREA
WIND SPEED
AT 80 m
Estimated 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 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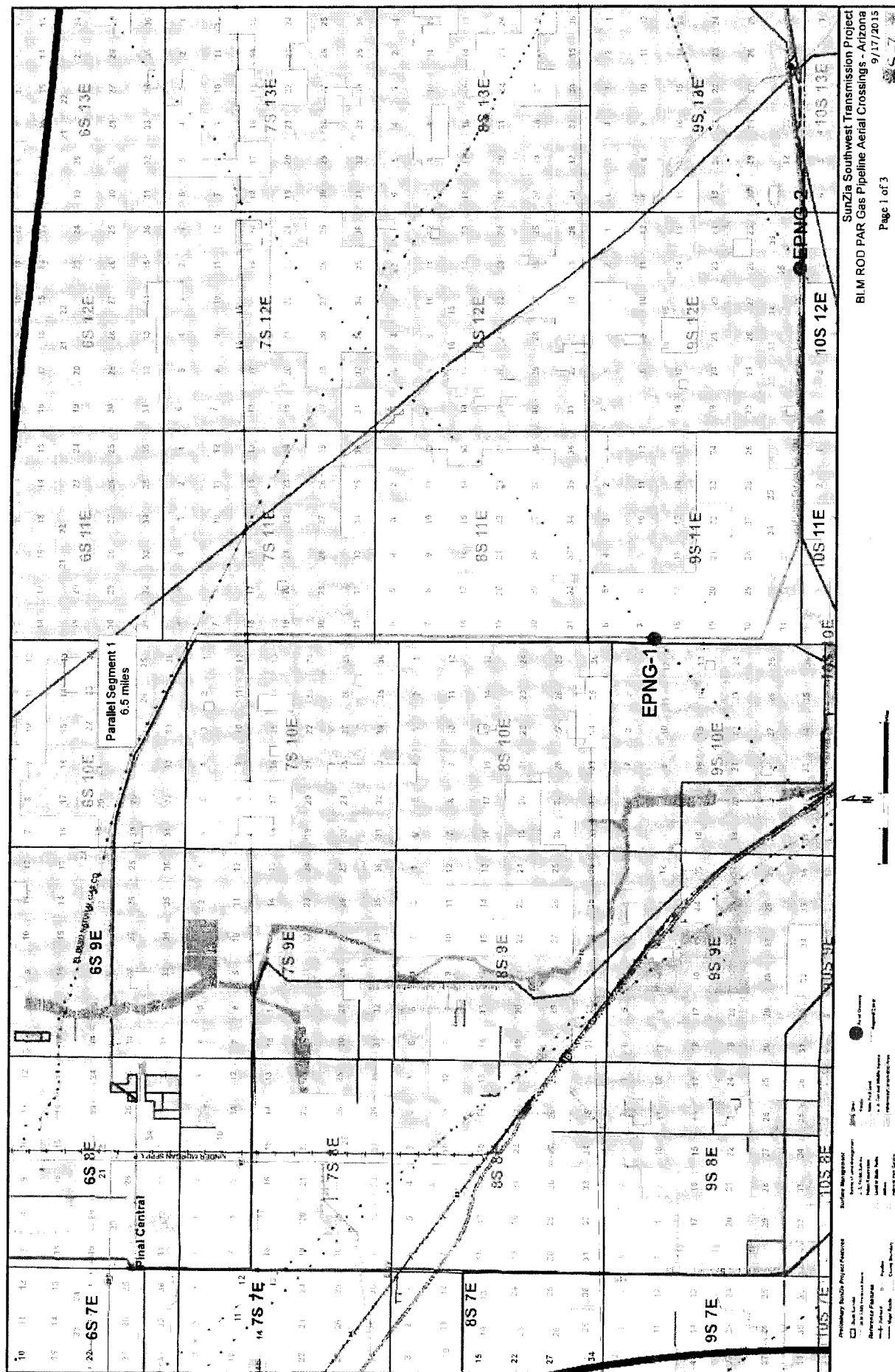
SunZia Southwest Transmission Project
Crossings and Proximity to Natural Gas Pipelines
Arizona Corporation Commission
Data Request #1

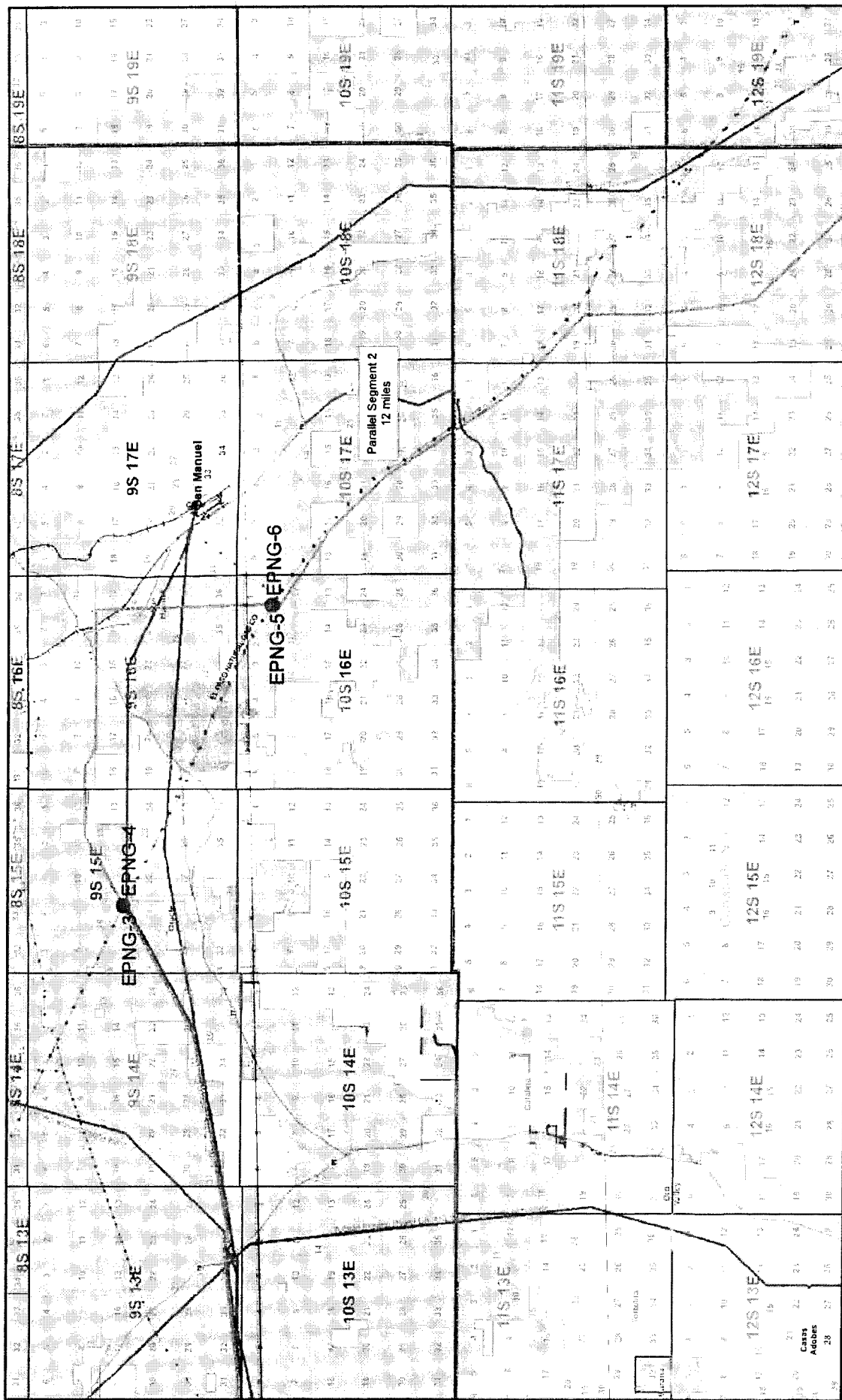
Aerial Crossings

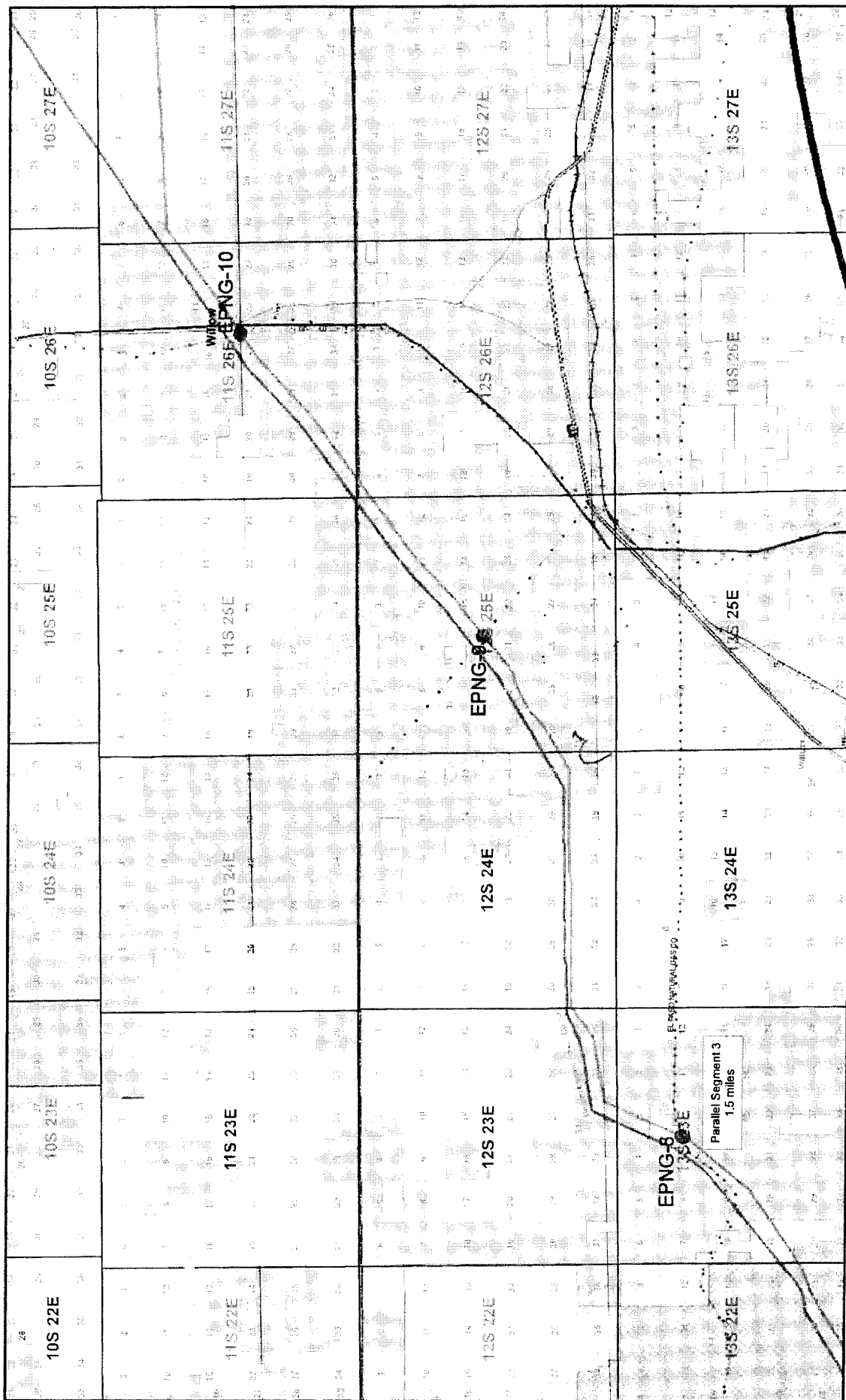
AgencyNo	Name	Category	County	State	Legal	Length (ft.)	Acres
EPNG-1	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T9SR11E7SW4SW4	50	0.46
EPNG-2	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T9SR12E3SE4SW4	50	0.46
EPNG-3	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T9SR15E16SE4SE4	50	0.46
EPNG-4	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T9SR15E16SE4SE4	50	0.46
EPNG-5	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T10SR16E1SE4SW4	50	0.46
EPNG-6	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T10SR16E1SE4SW4	50	0.46
EPNG-7	El Paso Natural Gas Pipeline	Gas Pipeline	Cochise	AZ	T13SR23E9SE4NE4	50	0.46
EPNG-8	El Paso Natural Gas Pipeline	Gas Pipeline	Cochise	AZ	T13SR23E9SE4NE4	50	0.46
EPNG-9	El Paso Natural Gas Pipeline	Gas Pipeline	Cochise	AZ	T12SR25E16SW4SE4	50	0.46
EPNG-10	El Paso Natural Gas Pipeline	Gas Pipeline	Graham	AZ	T11SR26E22NE4NE4	50	0.46

Parallel Segments

Sement No.	Name	Category	County	State	Legal	Start	End	Length (miles)
1	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal	AZ	T6SR10E19SW4	T7SR11E06SW4		6.5
2	El Paso Natural Gas Pipeline	Gas Pipeline	Pinal/Pima	AZ	T10SR16E12NW4	T11SR18E20NW4		12.0
3	El Paso Natural Gas Pipeline	Gas Pipeline	Cochise	AZ	T13SR23E16NW4	T13SR23E09SE4		1.5







**RYLEY CARLOCK
& APPLEWHITE**
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September 28, 2015



Sent via e-mail to:

Bob Gray: bgray@azcc.gov
Charles H. Hains: chains@azcc.gov
Jeff Francis: jfrancis@azcc.gov

Re: SunZia Transmission, LLC Responses to Staff's **Second** Set of Data Requests
Docket No. L-00000YY-15-0318-00171

Dear Staff of the Arizona Corporation Commission:

The Arizona Corporation Commission Staff ("Staff") provided the Second Set of Data Requests to SunZia Transmission, LLC on September 17, 2015. Herein are the responses from SunZia Transmission, LLC ("SunZia"). Tom Wray and Mark Etherton provided the information that forms the basis for the response. Their addresses are:

Tom Wray
Project Manager
SunZia Transmission, LLC
3610 N. 44th Street, Suite 250
Phoenix, AZ 85018

Mark Etherton
Engineering Manager
SunZia Transmission, LLC
3610 N. 44th Street, Suite 250
Phoenix, AZ 85018

Should you have any questions regarding these responses, please contact the undersigned.

Sincerely,


Albert H. Acken

**RESPONSES FROM SUNZIA TRANSMISSION, LLC
TO STAFF'S SECOND SET OF DATA REQUESTS
DOCKET NO. L-00000YY-15-0318-00171
SEPTEMBER 25, 2015**

The Following Questions are from Jeff Francis:

GENERAL OBJECTION: SunZia objects to the extent that the requests are overbroad, open-ended, irrelevant to the proceeding, and make certain commercial and operational assumptions, and SunZia lacks information to answer the request.

JF 2.1 Please provide any interconnection agreement reached between Applicant and Salt River Project Agricultural and Power Improvement District ("SRP"). If no agreement has been reached please provide:

- (a) **An Estimate timeline of when an interconnection agreement will be reached; and**
- (b) **A summary of the operational matters that will be addressed by the interconnection agreement ("IA").**

Subject to the General Objection and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

SRP is the Operating Agent for the Pinal Central substation on behalf of the participants (SRP, TEP, ED2, etc.) and responsible lead for the Wires-Wires Interconnection Process and ultimately to lead the Interconnection Agreement (IA) negotiations for SunZia to interconnect to the Pinal Central Substation. As of this date, the Pinal Central participants do not have a formal wires-wires interconnection process or a pro-forma IA. SunZia has had discussions with SRP regarding the timing of having documents available for SunZia to formally submit an application, and have determined that the timing can be deferred until the Project is closer in time to requiring a physical interconnection at Pinal Central. Consequently, SunZia anticipates having an IA in place during the 2019/20 timeframe.

While SunZia does not have a pro-forma IA from SRP, we have identified the mechanics and operational requirements of a typical IA, such as the type that will be utilized when SunZia pursues interconnection with the Pinal Central substation in the 2019/20 timeframe. The IA will set forth the physical requirements to interconnect to the Pinal Central bus (bay position, design requirements, costs, schedule, etc.) and the operational requirements for interconnection (balancing of energy, rights on the PC bus, O&M costs and responsibilities, etc.).

JF 2.2 Please confirm whether the route of the Project facilities will result in placement of any transmission towers/poles within flood plains, dry washes that may flood or within the flow area of any waterways such as river or stream.

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This question is vague, because the term "may flood" is overbroad and unclear and makes it challenging to understand what information is sought by this question. Does "may flood" mean the 100-year floodplain, or does it mean an area that is likely, based on seasonal and ephemeral flows, to flood? During the drafting and preparation of the Plan of Development ("POD"), SunZia will identify where compliance with the Clean Water Act ("CWA") is required, and how such compliance can be achieved.

Subject to the forgoing objections and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

SunZia anticipates that through "spanning" it will avoid most instances that would otherwise require placing towers within flood plains and waterways, but some proposed Route's facilities may fall within plains and dry washes that may flood. See, http://www.blm.gov/nm/st/en/prog/more/lands_realty/sunzia_southwest_transmission/feis/feis_maps.html. FEIS Map Figure M 3-1W Geological Hazards and Mineral Resources. The Proposed Route crosses the San Pedro River, but will be able to span the width such that facilities will not be physically constructed on the ground within or immediately adjacent to the San Pedro River.

Where possible, as determined during drafting and preparation of the POD, existing floodplains that flood annually, dry washes, or other waterways will be "spanned" (i.e. dead end structures on either side to span the waterway) to avoid placing structures within the waterway. The limitation of doing so however is based on the terrain, distance, and proximity to existing access of the structure for maintenance requirements.

From the FEIS:

"The Project would comply with the requirements of EO No. 11988 (Floodplain Management), EO No. 11990 (Wetland Protection), and Sections 401 and 404 of the CWA (in Construction, Operation, and Maintenance Plan).

SE 8 would minimize potential impacts to surface water resources by locating structures to avoid or span sensitive features, such as wetlands, riparian areas, perennial rivers, and streams. The avoidance of sensitive water resources through spanning, selective structure placement, or realignment of access routes was applied to all major rivers, perennial streams, springs, wells, and water bodies, where feasible. Spanning or avoiding sensitive features would also be applied as mitigation to those areas where springs or wells are present to reduce impacts to groundwater resources." (Pages 4-57 through 4-58).

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JF 2.3 Please discuss the risks of wildfire in relation to the Project. What measures are being requested to mitigate such risks? What measures have already been approved to address such risks?

Subject to the forgoing objections and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The SunZia route has minimal areas where significant or dense vegetation (as fuel) would be traversed for the transmission facilities.

A detailed Fire Protection Plan has been developed and is included in Exhibit B of the SunZia CEC application. *See* Appendix A4 of the Preliminary Plan of Development (April 2012).

JF 2.4 At page ES-1 of the Application's Executive Summary there is the assertion that the Project is needed to improve transfer capability and reliability. Please discuss the reliability benefits of the Project.

Subject to the forgoing objections and the General Objection, and without waiving the ability to object in the future to this subject matter as overbroad, SunZia provides the following:

RESPONSE:

The reliability benefits include:

- strengthening the connection between TEP's Springerville – Vail 345kV system and the 500kV system at Pinal Central, effectively creating a “loop or ring” for the TEP system and an additional path between SRP and TEP.
- providing additional 500kV terminations into Pinal Central (increasing the total from three to five) and providing N-1 and N-2 incremental benefits. For example on the system that exists prior to SunZia, for the N-1 of the Duke – Pinal Central 500kV line (the primary source from Palo Verde hub towards Pinal Central) there are only two remaining lines (to Browning and Tortolita), while there may be no violations for this particular N-1, there is exposure for additional N-1 causing violations. Conversely, with two additional terminations into Pinal Central, for a total of five, N-1 conditions allow for four remaining terminations and a more robust connection for the region.
- WECC Path 47 (southern NM path) is currently rated at 1,047 MW. SunZia adds a minimum of 3,000 MW of incremental path transfer capability across southern NM to AZ.

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- The transfer capabilities of the existing transmission facilities out of Pinal Central are limited today, and less than the thermal rating of the conductors of each transmission line. The thermal rating of each of the 500kV transmission lines out of Pinal Central is at least 2500MW (minimal of 3000A); however these lines are not permitted to operate at their thermal rating due to the stressing methodology from the Palo Verde hub area. This transfer capability of the existing lines could be increased with 3000-4500MWs delivered by SunZia at Pinal Central.

JF 2.5 At this time, the Project has only been assigned a path rating flowing from East to West. If, for reliability purposes, it proves necessary to flow power across Project facilities from West to East, does the Applicant or any Project operator that the Applicant's interest may be transferred to have the ability to do so from a physical standpoint?

Subject to the forgoing objections and the General Objection, and without waiving the ability to object in the future to this subject matter as overbroad, SunZia provides the following:

RESPONSE:

By nature of the addition of new transmission lines, additional capacity may be available from West to East as well. It is our interpretation that based on NERC MOD-29 Rated System Path Methodology, that it (under MOD-29-1a R2.2) is impossible to actually simulate a reliability-limited flow in a direction counter to prevailing flows, the Total Transfer Capability (TTC) for the non-prevailing direction can be set equal to the TTC for the prevailing direction. See, Standard MOD-029-1 – Rated System Path Methodology, a true and correct copy attached hereto as Appendix A.

- (a) Does the Project require a path rating flowing in the opposite direction in order to transmit power from West to East for reliability purposes?**

Subject to the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

It is our expectation that a path rating is not required in order to transmit power from West to East for reliability purposes.

JF 2.6 At any point along the path of the Project route, excepting the area proximate to the endpoints, does the Project share a common corridor with any other transmission lines rated 230 kV or higher?

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As written, this question is vague and ambiguous because the term "common corridor" is broadly and inconsistently used across WECC and the US.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

This was addressed in the Application. Specifically, it is discussed at pp. ES-4 to ES-5, 6 to 7, and Figure 1. SunZia has evaluated several areas where the Proposed Route will parallel existing transmission facilities, 230kV and above. However, SunZia has ensured that a minimum separation distance of 250 feet or greater exists between SunZia facilities and parallel, existing, transmission facilities, to ensure WECC and NERC performance criteria are met.

The following is a listing specifically where the Project parallels existing transmission facilities and approximate length of paralleling those facilities:

- | | |
|--|-------------------|
| • Springerville – Vail 345kV lines (two) | length = 48 miles |
| • Pinal Central – Tortolita 500kV line | length = 34 miles |
| • Pinal Central – Browning 500kV line | length = 3 miles |
| • Cholla – Saguaro 500kV line | length = 14 miles |

If so:

- (a) **Does the other transmission line serve a common purpose (i.e. is it carrying generation from the same source and delivering it to serve the same load) as the Project; and**

As written, this question is vague and ambiguous because the term "common corridor" is broadly and inconsistently used across WECC and the US.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

Potential generation resources that could be carried by SunZia are different from the resources from which generation is currently transmitted over the existing transmission lines paralleled by the Proposed Route. However, the guiding WECC and NERC criteria for reliability do apply for the interconnected

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transmission system to ensure reliable service to customers regardless of location of source of the generation.

- (b) **What amount of physical separation is planned between the Project facilities and the other transmission line within the common corridor?**

See objections and responses to JF 2.6 and 2.6(a).

JF 2.7 Are there any airports, airfields or air strips with residential access located within the vicinity of Project transmission lines? Will Project facilities include measures such as high visibility "balls" to improve visibility of Project facilities for low flying aircraft?

As written, this question is vague and ambiguous because it is compound and has the undefined qualifier of "residential access." It is unclear what "residential access" means in this context.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as overbroad, SunZia provides the following:

RESPONSE:

The following are airports in Arizona identified in the cumulative impacts section of the FEIS (page 4-283) as occurring with the "study area."

Benson Municipal Airport - 3 miles northwest of Benson

Marana Regional Airport - 3 miles west of Marana

Marana Airport/Pinal Airpark (Western Army National Guard Aviation Training Site) - 7 miles northwest of Marana, west of I-10

San Manuel Airport - 3 miles north of San Manuel

Tucson International Airport - 6 miles south of Tucson

Because the transmission facilities will be less than 200 feet above ground level, and given their distances from the existing airports, the Project likely does not present an obstruction or hazard to aircrafts utilizing the identified airports. Consequently, the Project does not anticipate use or incorporation or use of high visibility balls on the line.

The Following Questions are from Bob Gray:

BGG 2.1 Please identify all owners of the SunZia Project and their respective percentage shares of the Project.

This question is vague because the term "shares" is undefined. For purposes of this question, SunZia is assuming that the question is seeking information regarding the respective ownership interests of various entities having ownership interests in the SunZia Project.

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Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

Capacity Owner	June 30, 2015 Ownership Interests (expressed in relative percentages)
SunZia Transmission, LLC allocated among its four owners:	94.2%
ECP SunZia	51.8%
Shell WindEnergy	2.0%
SW Power	40.0%
Tucson Electric	0.4%
Tenants in Common with SunZia Transmission, LLC, allocated between SunZia Transmission, LLC (94.2%) and two other entities:	
Salt River	4.8%
Tri-State	1.0%

BGG 2.2 Please explain the reason(s) for participation in the Project for SRP and Tucson Electric Power Company ("TEP").

This question is vague and ambiguous because the term "reason(s)" is undefined. Also it requests SunZia to opine of the "reasons" of legally distinct entities.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

SRP and TEP have previously expressed that the future development of renewable energy projects in New Mexico and southeastern Arizona present reasonable options for future procurement of such resources to serve load in Arizona.

BGG 2.3 Does an ownership share in the Project result in any right or preference for having capacity on the line once it is operational?

RESPONSE:

Please refer to the "ORDER ON PETITION FOR DECLARATORY ORDER FERC (Docket No. EL11-24-000) which was previously provided Staff as part of Responses to Staff First Set of Data Requests

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(received from Staff on September 16, 2015) at pages 6 and 7 under "Allocation of Ownership Rights"
(excerpted below for convenience; emphasis added):

IV. Discussion

1. Allocation of Ownership Rights

a. Petitioner's Position

14. Petitioner requests that the Commission confirm that each SunZia Owner owns that portion of the Project equal to its *pro rata* share of its investment in the Project. Petitioner explains that it requests this explicit finding in order to eliminate any uncertainty created by the fact that the SunZia Owners own their *pro rata* shares of the Project indirectly through SunZia Transmission, LLC. Petitioner explains that in the May 2010 Order, the Commission determined that the Commission's open access policies govern the extent to which investment in a transmission project grants a party transmission service rights, and that the SunZia Owners do not have exclusive rights to use the Project capacity equal to their share of investment in the Project.¹⁷ Petitioner states that the Commission also determined that each of the SunZia Owners is a transmission owner/provider of Project capacity in proportion to its investment in the Project, because each invested in the Project in response to an open season for investment and committed to fund the Phase I Project development cost.¹⁸

¹⁷ *Id.*

¹⁸ *Id.* at 8 (citing May 2010 Order, 131 FERC ¶ 61,162 at P 24-25).

¹⁹ May 2010 Order, 131 FERC ¶ 61,162 at P 25.

b. Commission Determination

15. In the May 2010 Order, the Commission found that each of the SunZia Owners is a transmission owner/provider of Project capacity in proportion to its investment in the Project, because each invested in the jurisdictional portion of the Project by way of an investment in SunZia Transmission, LLC.¹⁹ Moreover, the SunZia Owners, in addition to Docket No. EL11-24-000 - 7 - Salt River and Tri-State, executed a Memorandum of Agreement under which the parties agreed to invest approximately \$26 million in total, on a *pro rata* basis, to cover the Phase I development costs.²⁰ Petitioner has not presented any additional information in its Revised Petition to alter the Commission's determination in the May 2010 Order. Accordingly, the Commission affirms that the SunZia Owners have ownership shares in the Project indirectly through SunZia Transmission, LLC in proportion to their *pro rata* investment in the Project.

Thus, each owner has capacity rights in the Project that is in proportion to their respective investment in the costs of project development.

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BGG 2.4 How is/will transmission capacity on the proposed line be allocated?

RESPONSE:

Referring to the above Order, SRP, TEP and Tri-State will make their respective capacity shares available under the terms of their respective Open Access Transmission Tariffs (OATT) on file at FERC. The balance of the transmission capacity shares will be divided as merchant transmission capacity and subject to negotiated rate authority for no more than 50% of such merchant transmission capacity, while the remaining 50% of that merchant transmission capacity will be the subject of an open season auction under the terms of OATTs to be filed with and approved and regulated by FERC.

BGG 2.5 Who is the balancing authority that will actually operate the proposed line?

RESPONSE:

The balancing authority area determination will be made as part of the wires-wires interconnection process that is discussed in the response provided to interrogatory J.F 2.1.

BGG 2.6 If the Project for some reason lost money for those holding an ownership interest in it, would TEP ratepayers have any exposure to such losses?

This question is vague and ambiguous because it asks a partial hypothetical.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The determination of prudently incurred costs that might be included in any future general rate case would be made by TEP. Cost exposure would be *pro rata* to the ownership percentage in effect at that point in time.

TEP has expressed a view that it is premature to comment on any ratepayer exposure at this time, but notes that the amount TEP currently has invested in the Project is small and that any recovery of lost money would be addressed through a FERC rate case.

BGG 2.7 What is the projected delivered cost of power at the Pinal Central substation for the SunZia Project?

This question is vague and ambiguous because it uses the term "delivered cost of power" without defining the same.

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Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The Company is not a generator and will only offer transmission service on the basis of negotiated rates or under the terms and conditions of its OATT. Until final engineering and design has been completed and rights-of-way over the entire 515 miles length have been secured, it is premature to speculate on the costs of various forms of transmission service to be provided (firm, non-firm, conditionally firm, point-to-point, network, etc.)

BGG 2.8 What is the projected percentage of power that would flow from the proposed Project to Arizona, California, and New Mexico?

This question is vague and ambiguous because it asks SunZia to forecast and answer a question that is subject to future, unknown, commercial considerations.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The determination of how power flows will be ultimately distributed depends on power purchase negotiations between utilities and generators in all three states. Since SunZia is not privy to those negotiations, we are no able to predict what distribution may, or may not, ultimately exist.

BGG 2.9 Does SunZia have a tariff with FERC for those who take service on the Project? If so, please provide it. If not, please explain when SunZia anticipates getting such a tariff and what the process would be for getting it.

RESPONSE:

Please refer to the FERC Order provided under the response to item BGG 2.3.

BGG 2.10 Given the uncertainty of whether the Willow substation will be upgraded to 500 kV, what are the factors that will determine whether SunZia would upgrade it? If it were upgraded, when does SunZia expect to upgrade it?

This question is vague and ambiguous because it incorrectly assumes, and misstates, material facts.

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Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The SunZia Willow-500 kV Substation will be part of the construction of the initial 500 kV AC transmission facility (as reflected in the CEC Application) to provide: (1) 500 kV series compensation and (2) a 500 kV-to-345 kV interconnection to TEP's existing Greenlee-Winchester line.

BGG 2.11 What is SunZia's understanding of the current level of transmission congestion in southern Arizona?

RESPONSE:

See objections and responses to JF 2.4.

BGG 2.12 If the Bowie generating station is constructed, would it tie into SunZia and/or other nearby transmission lines?

This question is irrelevant, as Bowie Power Station was approved by the Arizona Corporation Commission on March 7, 2002 (Case No. 118), with an approved path to market vis-à-vis an interconnection with the TEP Springerville-Vail 345 kV system at the Willow 345 kV substation at a point on TEP's Greenlee-Winchester transmission line under the terms of an existing Large Generator Interconnection Agreement on file with the Commission and the FERC.

Also, as written, the question is vague and ambiguous, as it implies a connection between the Bowie Power Station and the SunZia Project.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

The Bowie Power Station is an independent project, with a transmission path to market independent and unrelated to the SunZia Project. The construction and operation of the Bowie Power Station are neither tied nor related to the SunZia Project's construction and operation.

BGG 2.13 How is it anticipated that power arriving at the Pinal Central substation would then move to California or possible destinations within Arizona? Is there capacity to continue the movement of the full 3,000 MW capacity of SunZia from Pinal Central to California or possible destinations within Arizona?

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This question is vague and ambiguous because it asks how power will "move" after reaching the Pinal Central Substation and by asking if there is existing capacity to move 3,000 MW of energy from Pinal Central to "California or possible destinations within Arizona." As written, the question is interpreted to ask whether 3,000 MW of power introduced into Pinal Central could go anywhere. As outlined in SunZia's WECC rating process, the existing western grid has the capacity, with the construction of the SunZia Project, for the transmission and introduction of an additional 3,000 MW of energy.

Subject to the forgoing and the General Objection, and without waiving the ability to object in the future to this subject matter as irrelevant and overbroad, SunZia provides the following:

RESPONSE:

As the prevailing power flows from the Palo Verde Hub area into Pinal Central is from west-to-east, SunZia's transmission service customers will likely avail themselves to available transmission capacity that exists for power flows from east-to-west. SunZia is in discussions with the owners of the 500 kV/230 kV Southeast Valley Project for ownership or usage rights for this unused east-to-west capacity. Otherwise, SunZia's point-of-delivery for wheeling services will be the Pinal Central Substation.

BGG 2.14 Please explain SunZia's understanding of the current availability of capacity coming out of the Pinal Central substation.

RESPONSE:

SunZia's understanding of the current exit capacity at 500 kV out of the Pinal Central Substation is related to various filings at the Commission related with the Southeast Valley Project, including exchanges of technical information made publicly available through regional planning activities of the Southwest Area Transmission Subregional Planning Group. Issues associated with the exit capacity will be determined through system impact studies associated with SunZia's wires-wires interconnection agreement at Pinal Central Substation with the substation's operating agent, Salt River Project, as well as any subsequent Transmission Service Requests by customers of SunZia. We do not believe that facilities out of Pinal Central would limit available transmission capacity beyond the Pinal Central substation.

APPENDIX A

A. Introduction

1. **Title:** Rated System Path Methodology
2. **Number:** MOD-029-1
3. **Purpose:** To increase consistency and reliability in the development and documentation of transfer capability calculations for short-term use performed by entities using the Rated System Path Methodology to support analysis and system operations.
4. **Applicability:**
 - 4.1. Each Transmission Operator that uses the Rated System Path Methodology to calculate Total Transfer Capabilities (TTCs) for ATC Paths.
 - 4.2. Each Transmission Service Provider that uses the Rated System Path Methodology to calculate Available Transfer Capabilities (ATCs) for ATC Paths.
5. **Proposed Effective Date:** First day of the first calendar quarter that is twelve months beyond the date that all four standards (MOD-001-1, MOD-028-1, MOD-029-1, and MOD-030-1) are approved by all applicable regulatory authorities.

B. Requirements

- R1. When calculating TTCs for ATC Paths, the Transmission Operator shall use a Transmission model which satisfies the following requirements: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]
 - R1.1. The model utilizes data and assumptions consistent with the time period being studied and that meets the following criteria:
 - R1.1.1. Includes at least:
 - R1.1.1.1. The Transmission Operator area. Equivalent representation of radial lines and facilities 161kV or below is allowed.
 - R1.1.1.2. All Transmission Operator areas contiguous with its own Transmission Operator area. (Equivalent representation is allowed.)
 - R1.1.1.3. Any other Transmission Operator area linked to the Transmission Operator's area by joint operating agreement. (Equivalent representation is allowed.)
 - R1.1.2. Models all system Elements as in-service for the assumed initial conditions.
 - R1.1.3. Models all generation (may be either a single generator or multiple generators) that is greater than 20 MVA at the point of interconnection in the studied area.
 - R1.1.4. Models phase shifters in non-regulating mode, unless otherwise specified in the Available Transfer Capability Implementation Document (ATCID).

- R1.1.5.** Uses Load forecast by Balancing Authority.
 - R1.1.6.** Uses Transmission Facility additions and retirements.
 - R1.1.7.** Uses Generation Facility additions and retirements.
 - R1.1.8.** Uses Special Protection System (SPS) models where currently existing or projected for implementation within the studied time horizon.
 - R1.1.9.** Models series compensation for each line at the expected operating level unless specified otherwise in the ATCID.
 - R1.1.10.** Includes any other modeling requirements or criteria specified in the ATCID.
- R1.2.** Uses Facility Ratings as provided by the Transmission Owner and Generator Owner
- R2.** The Transmission Operator shall use the following process to determine TTC:
[Violation Risk Factor: Lower] [Time Horizon: Operations Planning]
 - R2.1.** Except where otherwise specified within MOD-029-1, adjust base case generation and Load levels within the updated power flow model to determine the TTC (maximum flow or reliability limit) that can be simulated on the ATC Path while at the same time satisfying all planning criteria contingencies as follows:
 - R2.1.1.** When modeling normal conditions, all Transmission Elements will be modeled at or below 100% of their continuous rating.
 - R2.1.2.** When modeling contingencies the system shall demonstrate transient, dynamic and voltage stability, with no Transmission Element modeled above its Emergency Rating.
 - R2.1.3.** Uncontrolled separation shall not occur.
 - R2.2.** Where it is impossible to actually simulate a reliability-limited flow in a direction counter to prevailing flows (on an alternating current Transmission line), set the TTC for the non-prevailing direction equal to the TTC in the prevailing direction. If the TTC in the prevailing flow direction is dependant on a Special Protection System (SPS), set the TTC for the non-prevailing flow direction equal to the greater of the maximum flow that can be simulated in the non-prevailing flow direction or the maximum TTC that can be achieved in the prevailing flow direction without use of a SPS.
 - R2.3.** For an ATC Path whose capacity is limited by contract, set TTC on the ATC Path at the lesser of the maximum allowable contract capacity or the reliability limit as determined by R2.1.
 - R2.4.** For an ATC Path whose TTC varies due to simultaneous interaction with one or more other paths, develop a nomogram describing the interaction of the paths and the resulting TTC under specified conditions.
 - R2.5.** The Transmission Operator shall identify when the TTC for the ATC Path being studied has an adverse impact on the TTC value of any existing path. Do this by modeling the flow on the path being studied at its proposed new

TTC level simultaneous with the flow on the existing path at its TTC level while at the same time honoring the reliability criteria outlined in R2.1. The Transmission Operator shall include the resolution of this adverse impact in its study report for the ATC Path.

- R2.6.** Where multiple ownership of Transmission rights exists on an ATC Path, allocate TTC of that ATC Path in accordance with the contractual agreement made by the multiple owners of that ATC Path.
- R2.7.** For ATC Paths whose path rating, adjusted for seasonal variance, was established, known and used in operation since January 1, 1994, and no action has been taken to have the path rated using a different method, set the TTC at that previously established amount.
- R2.8.** Create a study report that describes the steps above that were undertaken (R2.1 – R2.7), including the contingencies and assumptions used, when determining the TTC and the results of the study. Where three phase fault damping is used to determine stability limits, that report shall also identify the percent used and include justification for use unless specified otherwise in the ATCID.
- R3.** Each Transmission Operator shall establish the TTC at the lesser of the value calculated in R2 or any System Operating Limit (SOL) for that ATC Path. [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]
- R4.** Within seven calendar days of the finalization of the study report, the Transmission Operator shall make available to the Transmission Service Provider of the ATC Path, the most current value for TTC and the TTC study report documenting the assumptions used and steps taken in determining the current value for TTC for that ATC Path. [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]
- R5.** When calculating ETC for firm Existing Transmission Commitments (ETC_F) for a specified period for an ATC Path, the Transmission Service Provider shall use the algorithm below: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]

$$ETC_F = NL_F + NITS_F + GF_F + PTP_F + ROR_F + OS_F$$

Where:

NL_F is the firm capacity set aside to serve peak Native Load forecast commitments for the time period being calculated, to include losses, and Native Load growth, not otherwise included in Transmission Reliability Margin or Capacity Benefit Margin.

NITS_F is the firm capacity reserved for Network Integration Transmission Service serving Load, to include losses, and Load growth, not otherwise included in Transmission Reliability Margin or Capacity Benefit Margin.

GF_F is the firm capacity set aside for grandfathered Transmission Service and contracts for energy and/or Transmission Service, where executed prior to the effective date of a Transmission Service Provider's Open Access Transmission Tariff or "safe harbor tariff."

PTP_F is the firm capacity reserved for confirmed Point-to-Point Transmission Service.

ROR_F is the firm capacity reserved for Roll-over rights for contracts granting Transmission Customers the right of first refusal to take or continue to take Transmission Service when the Transmission Customer's Transmission Service contract expires or is eligible for renewal.

OS_F is the firm capacity reserved for any other service(s), contract(s), or agreement(s) not specified above using Firm Transmission Service as specified in the ATCID.

- R6.** When calculating ETC for non-firm Existing Transmission Commitments (ETC_{NF}) for all time horizons for an ATC Path the Transmission Service Provider shall use the following algorithm: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]

$$ETC_{NF} = NITS_{NF} + GF_{NF} + PTP_{NF} + OS_{NF}$$

Where:

NITS_{NF} is the non-firm capacity set aside for Network Integration Transmission Service serving Load (i.e., secondary service), to include losses, and load growth not otherwise included in Transmission Reliability Margin or Capacity Benefit Margin.

GF_{NF} is the non-firm capacity set aside for grandfathered Transmission Service and contracts for energy and/or Transmission Service, where executed prior to the effective date of a Transmission Service Provider's Open Access Transmission Tariff or "safe harbor tariff."

PTP_{NF} is non-firm capacity reserved for confirmed Point-to-Point Transmission Service.

OS_{NF} is the non-firm capacity reserved for any other service(s), contract(s), or agreement(s) not specified above using non-firm transmission service as specified in the ATCID.

- R7.** When calculating firm ATC for an ATC Path for a specified period, the Transmission Service Provider shall use the following algorithm: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]

$$ATC_F = TTC - ETC_F - CBM - TRM + Postbacks_F + counterflows_F$$

Where

ATC_F is the firm Available Transfer Capability for the ATC Path for that period.

TTC is the Total Transfer Capability of the ATC Path for that period.

ETC_F is the sum of existing firm commitments for the ATC Path during that period.

CBM is the Capacity Benefit Margin for the ATC Path during that period.

TRM is the Transmission Reliability Margin for the ATC Path during that period.

Postbacks_F are changes to firm Available Transfer Capability due to a change in the use of Transmission Service for that period, as defined in Business Practices.

counterflows_F are adjustments to firm Available Transfer Capability as determined by the Transmission Service Provider and specified in their ATCID.

- R8.** When calculating non-firm ATC for an ATC Path for a specified period, the Transmission Service Provider shall use the following algorithm: [*Violation Risk Factor: Lower*] [*Time Horizon: Operations Planning*]

$$ATC_{NF} = TTC - ETC_F - ETC_{NF} - CBM_S - TRM_U + Postbacks_{NF} + counterflows_{NF}$$

Where:

ATC_{NF} is the non-firm Available Transfer Capability for the ATC Path for that period.

TTC is the Total Transfer Capability of the ATC Path for that period.

ETC_F is the sum of existing firm commitments for the ATC Path during that period.

ETC_{NF} is the sum of existing non-firm commitments for the ATC Path during that period.

CBM_S is the Capacity Benefit Margin for the ATC Path that has been scheduled during that period.

TRM_U is the Transmission Reliability Margin for the ATC Path that has not been released for sale (unreleased) as non-firm capacity by the Transmission Service Provider during that period.

Postbacks_{NF} are changes to non-firm Available Transfer Capability due to a change in the use of Transmission Service for that period, as defined in Business Practices.

counterflows_{NF} are adjustments to non-firm Available Transfer Capability as determined by the Transmission Service Provider and specified in its ATCID.

C. Measures

- M1.** Each Transmission Operator that uses the Rated System Path Methodology shall produce any Transmission model it used to calculate TTC for purposes of calculating ATC for each ATC Path, as required in R1, for the time horizon(s) to be examined. (R1)
 - M1.1.** Production shall be in the same form and format used by the Transmission Operator to calculate the TTC, as required in R1. (R1)
 - M1.2.** The Transmission model produced must include the areas listed in R1.1.1 (or an equivalent representation, as described in the requirement) (R1.1)
 - M1.3.** The Transmission model produced must show the use of the modeling parameters stated in R1.1.2 through R1.1.10; except that, no evidence shall be required to prove: 1) utilization of a Special Protection System where none was included in the model or 2) that no additions or retirements to the generation or Transmission system occurred. (R1.1.2 through R1.1.10)
 - M1.4.** The Transmission Operator must provide evidence that the models used to determine TTC included Facility Ratings as provided by the Transmission Owner and Generator Owner. (R1.2)
- M2.** Each Transmission Operator that uses the Rated System Path Methodology shall produce the ATCID it uses to show where it has described and used additional modeling criteria in its ACTID that are not otherwise included in MOD-29 (R1.1.4, R1.1.9, and R1.1.10).
- M3.** Each Transmission Operator that uses the Rated System Path Methodology with paths with ratings established prior to January 1, 1994 shall provide evidence the path and its rating were established prior to January 1, 1994. (R2.7)
- M4.** Each Transmission Operator that uses the Rated System Path Methodology shall produce as evidence the study reports, as required in R.2.8, for each path for which it determined TTC for the period examined. (R2)
- M5.** Each Transmission Operator shall provide evidence that it used the lesser of the calculated TTC or the SOL as the TTC, by producing: 1) all values calculated pursuant to R2 for each ATC Path, 2) Any corresponding SOLs for those ATC Paths, and 3) the TTC set by the Transmission Operator and given to the Transmission Service Provider for use in R7 and R8 for each ATC Path. (R3)
- M6.** Each Transmission Operator shall provide evidence (such as logs or data) that it provided the TTC and its study report to the Transmission Service Provider within seven calendar days of the finalization of the study report. (R4)
- M7.** The Transmission Service Provider shall demonstrate compliance with R5 by recalculating firm ETC for any specific time period as described in (MOD-001 R2), using the algorithm defined in R5 and with data used to calculate the specified value for the designated time period. The data used must meet the requirements specified in MOD-029-1 and the ATCID. To account for differences that may occur when recalculating the value (due to mixing automated and manual processes), any recalculated value that is within +/- 15% or 15 MW, whichever is greater, of the

originally calculated value, is evidence that the Transmission Service Provider used the algorithm in R5 to calculate its firm ETC. (R5)

- M8.** The Transmission Service Provider shall demonstrate compliance with R5 by recalculating non-firm ETC for any specific time period as described in (MOD-001 R2), using the algorithm defined in R6 and with data used to calculate this specified value for the designated time period. The data used must meet the requirements specified in the MOD-029 and the ATCID. To account for differences that may occur when recalculating the value (due to mixing automated and manual processes), any recalculated value that is within +/- 15% or 15 MW, whichever is greater, of the originally calculated value, is evidence that the Transmission Service Provider used the algorithm in R6 to calculate its non-firm ETC. (R6)
- M9.** Each Transmission Service Provider shall produce the supporting documentation for the processes used to implement the algorithm that calculates firm ATCs, as required in R7. Such documentation must show that only the variables allowed in R7 were used to calculate firm ATCs, and that the processes use the current values for the variables as determined in the requirements or definitions. Note that any variable may legitimately be zero if the value is not applicable or calculated to be zero (such as counterflows, TRM, CBM, etc...). The supporting documentation may be provided in the same form and format as stored by the Transmission Service Provider. (R7)
- M10.** Each Transmission Service Provider shall produce the supporting documentation for the processes used to implement the algorithm that calculates non-firm ATCs, as required in R8. Such documentation must show that only the variables allowed in R8 were used to calculate non-firm ATCs, and that the processes use the current values for the variables as determined in the requirements or definitions. Note that any variable may legitimately be zero if the value is not applicable or calculated to be zero (such as counterflows, TRM, CBM, etc...). The supporting documentation may be provided in the same form and format as stored by the Transmission Service Provider. (R8)

D. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

Regional Entity.

1.2. Compliance Monitoring Period and Reset Time Frame

Not applicable.

1.3. Data Retention

- The Transmission Operator and Transmission Service Provider shall keep data or evidence to show compliance as identified below unless directed by its Compliance Enforcement Authority to retain specific evidence for a longer period of time as part of an investigation:
- The Transmission Operator shall have its latest models used to determine TTC for R1. (M1)

- The Transmission Operator shall have the current, in force ATCID(s) provided by its Transmission Service Provider(s) and any prior versions of the ATCID that were in force since the last compliance audit to show compliance with R1. (M2)
- The Transmission Operator shall retain evidence of any path and its rating that was established prior to January 1, 1994. (M3)
- The Transmission Operator shall retain the latest version and prior version of the TTC study reports to show compliance with R2. (M4)
- The Transmission Operator shall retain evidence for the most recent three calendar years plus the current year to show compliance with R3 and R4. (M5 and M6)
- The Transmission Service Provider shall retain evidence to show compliance in calculating hourly values required in R5 and R6 for the most recent 14 days; evidence to show compliance in calculating daily values required in R5 and R6 for the most recent 30 days; and evidence to show compliance in calculating daily values required in R5 and R6 for the most recent sixty days. (M7 and M8)
- The Transmission Service Provider shall retain evidence for the most recent three calendar years plus the current year to show compliance with R7 and R8. (M9 and M10)
- If a Transmission Service Provider or Transmission Operator is found non-compliant, it shall keep information related to the non-compliance until found compliant.

The Compliance Enforcement Authority shall keep the last audit records and all requested and submitted subsequent audit records.

1.4. Compliance Monitoring and Enforcement Processes:

The following processes may be used:

- Compliance Audits
- Self-Certifications
- Spot Checking
- Compliance Violation Investigations
- Self-Reporting
- Complaints

1.5. Additional Compliance Information

None.

Standard MOD-029-1 — Rated System Path Methodology

2. Violation Severity Levels

R #	Lower VSL	Moderate VSL	High VSL	Severe VSL
R1.	<p>The Transmission Operator used a model that met all but one of the modeling requirements specified in R1.1.</p> <p>OR</p> <p>The Transmission Operator utilized one to ten Facility Ratings that were different from those specified by a Transmission Owner or Generation Owner in their Transmission model. (R1.2)</p>	<p>The Transmission Operator used a model that met all but two of the modeling requirements specified in R1.1.</p> <p>OR</p> <p>The Transmission Operator utilized eleven to twenty Facility Ratings that were different from those specified by a Transmission Owner or Generation Owner in their Transmission model. (R1.2)</p>	<p>The Transmission Operator used a model that met all but three of the modeling requirements specified in R1.1.</p> <p>OR</p> <p>The Transmission Operator utilized twenty-one to thirty Facility Ratings that were different from those specified by a Transmission Owner or Generation Owner in their Transmission model. (R1.2)</p>	<p>The Transmission Operator used a model that did not meet four or more of the modeling requirements specified in R1.1.</p> <p>OR</p> <p>The Transmission Operator utilized more than thirty Facility Ratings that were different from those specified by a Transmission Owner or Generation Owner in their Transmission model. (R1.2)</p>
R2	<p>One or both of the following:</p> <ul style="list-style-type: none"> The Transmission Operator did not calculate TTC using one of the items in sub-requirements R2.1-R2.6. The Transmission Operator does not include one required item in the study report required in R2.8. 	<p>One or both of the following:</p> <ul style="list-style-type: none"> The Transmission Operator did not calculate TTC using two of the items in sub-requirements R2.1-R2.6. The Transmission Operator does not include two required items in the study report required in R2.8. 	<p>One or both of the following:</p> <ul style="list-style-type: none"> The Transmission Operator did not calculate TTC using three of the items in sub-requirements R2.1-R2.6. The Transmission Operator does not include three required items in the study report required in R2.8. 	<p>One or more of the following:</p> <ul style="list-style-type: none"> The Transmission Operator did not calculate TTC using four or more of the items in sub-requirements R2.1-R2.6. The Transmission Operator did not apply R2.7. The Transmission Operator does not include four or more required items in the study report required in R2.8

Standard MOD-029-1 — Rated System Path Methodology

R #	Lower VSL	Moderate VSL	High VSL	Severe VSL
R3.	The Transmission Operator did not specify the TTC as the lesser of the TTC calculated using the process described in R2 or any associated SOL for more than zero ATC Paths, BUT, not more than 1% of all ATC Paths or 1 ATC Path (whichever is greater).	The Transmission Operator did not specify the TTC as the lesser of the TTC calculated using the process described in R2 or any associated SOL for more than 1% of all ATC Paths or 1 ATC Path (whichever is greater), BUT not more than 2% of all ATC Paths or 2 ATC Paths (whichever is greater).	The Transmission Operator did not specify the TTC as the lesser of the TTC calculated using the process described in R2 or any associated SOL for more than 2% of all ATC Paths or 2 ATC Paths (whichever is greater), BUT not more than 5% of all ATC Paths or 3 ATC Paths (whichever is greater).	The Transmission Operator did not specify the TTC as the lesser of the TTC calculated using the process described in R2 or any associated SOL, for more than 5% of all ATC Paths or 3 ATC Paths (whichever is greater).
R4.	The Transmission Operator provided the TTC and study report to the Transmission Service Provider more than seven, but not more than 14 calendar days after the report was finalized.	The Transmission Operator provided the TTC and study report to the Transmission Service Provider more than 14, but not more than 21 calendar days after the report was finalized.	The Transmission Operator provided the TTC and study report to the Transmission Service Provider more than 21, but not more than 28 calendar days after the report was finalized.	The Transmission Operator provided the TTC and study report to the Transmission Service Provider more than 28 calendar days after the report was finalized.
R5.	For a specified period, the Transmission Service Provider calculated a firm ETC with an absolute value different than that calculated in M7 for the same period, and the absolute value difference was more than 15% of the value calculated in the measure or 15MW, whichever is greater, but not more than 25% of the value calculated in the measure or 25MW, whichever is greater.	For a specified period, the Transmission Service Provider calculated a firm ETC with an absolute value different than that calculated in M7 for the same period, and the absolute value difference was more than 25% of the value calculated in the measure or 25MW, whichever is greater, but not more than 35% of the value calculated in the measure or 35MW, whichever is greater.	For a specified period, the Transmission Service Provider calculated a firm ETC with an absolute value different than that calculated in M7 for the same period, and the absolute value difference was more than 35% of the value calculated in the measure or 35MW, whichever is greater, but not more than 45% of the value calculated in the measure or 45MW, whichever is greater.	For a specified period, the Transmission Service Provider calculated a firm ETC with an absolute value different than that calculated in M7 for the same period, and the absolute value difference was more than 45% of the value calculated in the measure or 45MW, whichever is greater.
R6.	For a specified period, the Transmission Service Provider calculated a non-firm ETC with an absolute value different than that calculated in M8 for the same period, and the absolute	For a specified period, the Transmission Service Provider calculated a non-firm ETC with an absolute value different than that calculated in M8 for the same period, and the absolute	For a specified period, the Transmission Service Provider calculated a non-firm ETC with an absolute value different than that calculated in M8 for the same period, and the absolute	For a specified period, the Transmission Service Provider calculated a non-firm ETC with an absolute value different than that calculated in M8 for the same period, and the absolute

Standard MOD-029-1 — Rated System Path Methodology

R #	Lower VSL	Moderate VSL	High VSL	Severe VSL
	value difference was more than 15% of the value calculated in the measure or 15MW, whichever is greater, but not more than 25% of the value calculated in the measure or 25MW, whichever is greater.	value difference was more than 25% of the value calculated in the measure or 25MW, whichever is greater, but not more than 35% of the value calculated in the measure or 35MW, whichever is greater.	value difference was more than 35% of the value calculated in the measure or 35MW, whichever is greater, but not more than 45% of the value calculated in the measure or 45MW, whichever is greater.	absolute value difference was more than 45% of the value calculated in the measure or 45MW, whichever is greater.
R7.	The Transmission Service Provider did not use all the elements defined in R7 when determining firm ATC, or used additional elements, for more than zero ATC Paths, but not more than 5% of all ATC Paths or 1 ATC Path (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R7 when determining firm ATC, or used additional elements, for more than 5% of all ATC Paths or 1 ATC Path (whichever is greater), but not more than 10% of all ATC Paths or 2 ATC Paths (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R7 when determining firm ATC, or used additional elements, for more than 10% of all ATC Paths or 2 ATC Paths (whichever is greater), but not more than 15% of all ATC Paths or 3 ATC Paths (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R7 when determining firm ATC, or used additional elements, for more than 15% of all ATC Paths or more than 3 ATC Paths (whichever is greater).
R8.	The Transmission Service Provider did not use all the elements defined in R8 when determining non-firm ATC, or used additional elements, for more than zero ATC Paths, but not more than 5% of all ATC Paths or 1 ATC Path (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R8 when determining non-firm ATC, or used additional elements, for more than 5% of all ATC Paths or 1 ATC Path (whichever is greater), but not more than 10% of all ATC Paths or 2 ATC Paths (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R8 when determining non-firm ATC, or used additional elements, for more than 10% of all ATC Paths or 2 ATC Paths (whichever is greater), but not more than 15% of all ATC Paths or 3 ATC Paths (whichever is greater).	The Transmission Service Provider did not use all the elements defined in R8 when determining non-firm ATC, or used additional elements, for more than 15% of all ATC Paths or more than 3 ATC Paths (whichever is greater).



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ROBERT R. TAYLOR, ESQ.
Senior Director
Regulatory Policy & Public Involvement

October 5, 2015

Charles Hains
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Re: Staff's First Set of Data Requests to Salt River Project
SunZia LLC 500kV Transmission Project Certificate of Environmental Compatibility
Application, Docket No. L-00000YY-15-0318-00171

Dear Mr. Hains,

Enclosed please find the Salt River Project's Response to Staff's First Set of Data Requests in the above-referenced matter. We hope that our responses help to clarify SRP's limited interest and participation in the SunZia Project. SRP does not plan to participate in the upcoming siting hearings.

If you have any questions regarding this information, please feel free to contact me at (602) 236-3487.

Sincerely,

Rob Taylor

Enc.

SRP's Response to ACC Staff's First Set of Data Requests
SunZia 500kV Transmission Project
Docket No. L-00000YY-15-0318-00171
October 5, 2015

BGG 1.1 Please explain the reason(s) for SRP's participation in the Sun Zia Project.

SRP joined as a participant in the effort to permit the Sun Zia Project in 2008. We were interested in the project primarily for two reasons. First, at that time our strategy for the procurement of renewable energy was focused on a mix of renewable generation resources located both inside and outside the State of Arizona. As such, we had potential interest in renewable projects, mostly wind, located in New Mexico. Over time as the price of various types of renewable generation has changed, SRP's focus has narrowed to mostly renewable resources located close to the load we serve, primarily solar projects in the Phoenix metropolitan area. Second, there is a long-term interest to develop additional transmission from existing generation sources located in eastern Arizona to serve load in central Arizona. The Sun Zia Project presents an opportunity to develop a portion of that transmission and improves reliability of the regional transmission system.

BGG 1.2 Does an ownership share in the Project result in any right or preference for having capacity on the line once it is operational?

Yes. Pursuant to the participant agreement for the permitting of the Project any ownership interest would result in a commensurate level of transmission capacity on the line.

BGG 1.3 How does SRP anticipate that power arriving at the Pinal Central substation from the Project would then move to California or possible destinations within Arizona? Is there capacity to continue the movement of the full 3,000 MW capacity of the Project from Pinal Central to California or possible destinations within Arizona?

SRP's interest, to the extent we choose to participate in the development of the Project, would be to move the energy acquired through the line to serve our load in the Valley. Once the energy reaches Pinal Central, we have the capability of moving our capacity to serve our load. The use of the Project to deliver energy further west to California would require additional transmission studies which we have not done.

**TUCSON ELECTRIC POWER COMPANY'S RESPONSE TO STAFF'S FIRST SET OF
DATA REQUESTS REGARDING ITS SUNZIA TRANSMISSION LLC APPLICATION
DOCKET NO. I-00000YY-15-0318-00171**

September 29, 2015

STF 1.1

Please explain the reason(s) for Tucson Electric Power Company's participation in the SunZia Project.

RESPONSE:

In December of 2007 TEP committed to participate in permitting activities for the SunZia Project. The SunZia Project was being developed to deliver renewable energy from New Mexico to Arizona and California. TEP saw an opportunity for the potential to meet some of its renewable needs through the project, and the potential to realize reliability benefits by having an additional EHV transmission line connected to its system.

The SunZia Project offered an opportunity for TEP to contribute to funding of the permitting effort up to a capped dollar amount. Participation gave TEP an opportunity to participate in ownership of the project during the next phase of development if TEP saw value. If TEP chose not to continue with the project, but others did, TEP would be refunded its investment. If the project was abandoned, TEP's cost was a fixed dollar value.

RESPONDENT:

Ed Beck



Defined Terms:

Arizona Corporation Commission ("Commission")

SunZia Transmission, LLC ("SunZia")

Tucson Electric Power Company ("TEP" or the "Company")

**TUCSON ELECTRIC POWER COMPANY'S RESPONSE TO STAFF'S FIRST SET OF
DATA REQUESTS REGARDING ITS SUNZIA TRANSMISSION LLC APPLICATION
DOCKET NO. I-00000YY-15-0318-00171**

September 29, 2015

STF 1.2

Does an ownership share in the Project result in any right or preference for having capacity on the line one it is operational?

RESPONSE:

Yes. TEP is party to the "Memorandum of Agreement for Phase I of the SunZia Southwest Transmission Project," dated April 30, 2009. The agreement provides TEP the right, but not the obligation, to future participation in the development of the "Phase II" agreements covering ownership and, ultimately, the right to ownership of the project up to TEP's pro-rata investment in the Phase I permitting process.

RESPONDENT:

Ed Beck

Defined Terms:

Arizona Corporation Commission ("Commission")

SunZia Transmission, LLC ("SunZia")

Tucson Electric Power Company ("TEP" or the "Company")

**TUCSON ELECTRIC POWER COMPANY'S RESPONSE TO STAFF'S FIRST SET OF
DATA REQUESTS REGARDING ITS SUNZIA TRANSMISSION LLC APPLICATION
DOCKET NO. I-00000YY-15-0318-00171**

September 29, 2015

STF 1.3

If the Project for some reason lost money for those holding an ownership interest in it, what exposure do TEP ratepayers have to such losses?

RESPONSE:

TEP's investment in the project is capped at an amount determined in the Phase I memorandum of understanding (just under \$200,000). Any recovery of that investment will be determined in a future transmission rate case at the Federal Energy Regulatory Commission since the costs are related to transmission.

RESPONDENT:

Ed Beck

Defined Terms:

Arizona Corporation Commission ("Commission")

SunZia Transmission, LLC ("SunZia")

Tucson Electric Power Company ("TEP" or the "Company")

Chris Fletcher Bio

Chris Fletcher , Supervisor, Redington Natural Resource District

Born and raised in Arizona with ties to ranching in my family.

Bachelor of Science, Arizona State University, 1990

Major Emphasis of Study: Organizational Communication

Minor Emphasis of Study: Business Management

10 years management experience with the State of Arizona primarily in personnel management and process improvement.

9 years superintendent experience in residential and commercial construction with a focus in site work, infrastructure, structural concrete, grading and drainage, and fugitive dust and storm water pollution prevention.

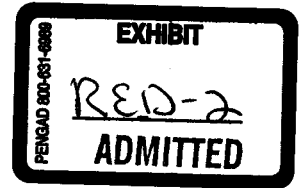
10 years volunteer, part time compensated , and herd manager for a family owned cattle operation on the BLM Auga Fria National Monument , EZ Ranch Allotment and US FS Rice Peak Allotment.

Responsible for all Annual Operating Instruction Reports, range grazing durations, and documents with respect to Upper Water Conservation Area for endangered species protection. This position also required accurate records of use and interaction with the AZ Game and Fish Department to coordinate and monitor Antelope wildlife habitat corridor projects.

2 years management experience, owner Bar JF Agriculture DbA, Saguaro Ridge Ranch, San Manuel , AZ as a cattle producer.

As a supervisor for the Redington NRC I volunteered, and was approved, to testify on behalf of our District with respect to the SunZia CEC Application.

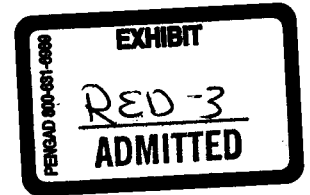




Stefanie A. Smallhouse - Bio

Stefanie Smallhouse owns property within the Redington Natural Resource Conservation District and served as a Supervisor for several years. Stefanie and Andrew Smallhouse own and operate the Carlink Ranch, a 130 year old farming and ranching operation located along the San Pedro River. Stefanie attended New Mexico State University, graduating with honors and receiving a Bachelor of Science in Agriculture degree with studies focused in Wildlife Science and Range Management. She worked for the Bureau of Land Management (BLM) as a biologist in Utah before moving to Arizona in 1999. She was the Executive Director for the Arizona Natural Resource Conservation Districts State Association from 2008-2013, and now manages a statewide competitive grant program which provides funding to landowners, local governments, and tribes for measures that maintain or enhance water quality and quantity in riparian systems.

Stefanie Smallhouse assisted on the Sunzia Project from 2009- 2013 as an advisor to the Redington Natural Resource Conservation District in their coordinated planning effort with the BLM.

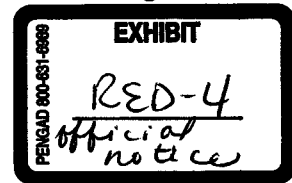


Districts as Political Subdivisions

Irrigation and other districts as political subdivisions

Irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and tax levying public improvement districts, now or hereafter organized pursuant to law, shall be political subdivisions of the state, and vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under this constitution or any law of the state or of the United States; but all such districts shall be exempt from the provisions of sections 7 and 8 of article IX of this constitution.

Statutory Responsibilities regarding conservation of lands, soils, water, wild life and habitat areas, and dealing with State agencies regarding development, coordination relating to resource conservation programs and utilization of lands.



A.R.S. §37-1001. Declaration of policy

It is declared the policy of the legislature to provide for the restoration and conservation of lands and soil resources of the state, the preservation of water rights and the control and prevention of soil erosion, and thereby to conserve natural resources, conserve wildlife, protect the tax base, protect public lands and protect and restore this state's rivers and streams and associated riparian habitats, including fish and wildlife resources that are dependent on those habitats, and in such manner to protect and promote the public health, safety and general welfare of the people.

A.R.S. §37-1053. Powers and duties of supervisors

A. The supervisors shall:

1. Provide for the keeping of a record of all proceedings, resolutions, regulations and orders issued or adopted.
2. Furnish to the commissioner copies of such ordinances, rules, regulations, orders, contracts, forms or other documents adopted or employed, audits of the district or education center and such information concerning their activities as the commissioner requests.

B. The supervisors may appoint additional advisory members to the district governing body and delegate to the chairman or any member, or to any agent or employee, such powers and duties as they deem proper.

C. District supervisors shall require and provide for the execution of a corporate surety bond in suitable penal sum for, and to cover, any person entrusted with the care or disposition of district funds or property.

D. The compensation of the district supervisors shall be determined by the supervisors meeting as the governing body of the district but shall not exceed the compensation prescribed by section 38611, plus actual and necessary expenses of attending district meetings, and a per diem subsistence allowance and actual and necessary expenses while engaged in official business by order of the supervisors.

A.R.S. §37-1054 Powers of district

A. This state recognizes the special expertise of the districts in the fields of land, soil, water and natural resources management within the boundaries of the district. A district is empowered to:

1. Conduct surveys, investigations and research relating to the character of the soil, soil erosion prevention within a farm or ranch, methods of cultivation, farm and range practices, seeding, eradication of noxious growths and any other measures that will aid farm and range operations, disseminate information pertaining thereto, and carry on research programs with or without the cooperation of this state or its agencies or the United States or its agencies.

2. Conduct demonstration projects within the district on lands owned or controlled by the state or any of its agencies with the consent and cooperation of the agency having jurisdiction of the land, and on any other lands within the district on obtaining the consent of the landowner or the necessary rights or interests in the land, in order to demonstrate by example the means, methods and measures by which water, soil and soil resources may be conserved and soil erosion and soil washing may be prevented and controlled.
 3. Cooperate and enter into agreements with a landowner, an operator or any agency or subdivision of the state or federal government to carry on programs of watershed improvement, soil erosion prevention, methods of cultivation, cropping practices, land leveling and improvement on agricultural lands, and programs limited to methods of proper range use, reseeding and the eradication of noxious growth on grazing lands, all within the limits of an individual farm or ranch and subject to the conditions the supervisors deem necessary.
 4. Acquire, by purchase, exchange, lease or otherwise, any property, real or personal, or rights or interest in any property, maintain, administer and improve any properties acquired, receive income from any property or right or interest in property and expend it in carrying out the purposes of this chapter, and sell, lease or otherwise dispose of any property or interest in property in furtherance of the purposes of this chapter.
 5. Make available, on the terms it prescribes to landowners within the district, agricultural and engineering machinery and equipment, fertilizer, seed and other material or equipment as will assist the landowners to carry on operations on their lands for the purposes and programs authorized by this chapter.
 6. Develop, publish and bring to the attention of landowners within the district comprehensive plans for the conservation of soil and water resources within the district that specify in such detail as may be feasible the acts, procedures, performances and avoidances necessary or desirable for the effectuation of the plans.
 7. Apply for, receive and spend monies from the Arizona water protection fund pursuant to title 45, chapter 12 to be used in individual districts or in cooperation with other districts, persons, cities, towns, counties, special districts and Indian communities for projects consistent with title 45, chapter 12.
 8. Employ agents, engineers, attorneys or other employees not readily available from existing state agencies.
 9. Sue and be sued in the name of the district, have a seal, which shall be judicially noticed, have perpetual succession unless terminated as provided in this chapter, may make and execute contracts and other instruments necessary or convenient to the exercise of its powers and make, amend and repeal rules not inconsistent with this chapter to carry into effect its purposes and powers.
 10. Accept donations, gifts and contributions in money, services, materials or otherwise, and use or expend them in carrying on its operations.
 11. Organize and establish an education center.
- B. No provision of law with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to a district organized under this chapter unless specifically stated therein.
- C. After the formation of any district under this chapter, all participation there under shall be voluntary, notwithstanding any provision of this chapter to the contrary.

D. A district may send to the Arizona water protection fund commission established by title 45, chapter 12 written recommendations for geographic areas to be emphasized, issues of concern and measures to implement title 45, chapter 12. A district that sends written recommendations to the commission shall request information from at least the following:

1. The director of the department of water resources and the state land commissioner.
2. The federal and state fish, wildlife, recreation and natural resource agencies.
3. County and municipal entities.
4. The public.

E. The district shall develop procedures to ensure adequate participation in the public involvement process prescribed by subsection D of this section.

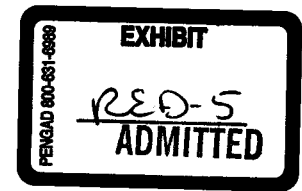
A.R.S. §37-1056 Cooperation between districts

The supervisors of any two or more districts organized under the provisions of this chapter may cooperate in the exercise of any power conferred in this chapter.

A.R.S. §37-1057 Cooperation by state agencies

Agencies of this state which have jurisdiction over or are charged with the administration of any state owned lands, and of any county or other governmental subdivision of the state which have jurisdiction over, or are charged with the administration of, any county owned or other publicly owned lands lying within the boundaries of any natural resource conservation district, may cooperate fully with the supervisors of such districts in the effectuation of programs and operations undertaken by the supervisors under the provisions of this chapter. The supervisors of any district organized under the provisions of this chapter may cooperate with any municipality within the boundaries of the district on matters relating to soil conservation or land use planning.

**Long Range
Natural Resource Conservation
Plan**



**Redington Natural Resource Conservation District
2010-2016**



Governing Board of Supervisors:

Charles Kent – Chairman
Andrew Smallhouse – Vice Chair
Charlie Ffolliott – Member
Stefanie Smallhouse – Member
Susan Newman – Member

Approved By:
The Redington Natural Resource Conservation District

Prepared By:
District Board of Supervisors
And
Associates

I. Introduction

The Redington Natural Resource Conservation District (NRCD) was organized June 19, 1947. In 1954 the State Conservation District law was amended to allow rangeland to be added to districts. In 1956 the District extended its boundaries to include all rangeland and petitioned in all of the land within its boundaries.

Title 37-1001. Declaration of policy

It is declared the policy of the legislature to provide for the restoration and conservation of lands and soil resources of the state, the preservation of water rights and the control and prevention of soil erosion, and thereby to conserve natural resources, conserve wildlife, protect the tax base, protect public lands and protect and restore this state's rivers and streams and associated riparian habitats, including fish and wildlife resources

II. Description of Planning Area

The Redington NRCD boundaries overlap portions of four counties: Cochise, Pima, Pinal, and Graham. It is accessible on unimproved dirt roads from San Manuel, Willcox, Benson, and Tucson. There are no incorporated towns but one school district designated as a transportation district for the residents within the general area of Redington. There are a variety of cooperators (members of the NRCD) within the District, and a diverse spectrum of land use.

The Redington NRCD encompasses approximately 290,381 acres in the San Pedro River valley of southeastern Arizona. It includes approximately 31 miles of the San Pedro River, which runs north-northwest through the middle of the district and is the area's most defining geographical, ecological and social-historical feature.

The district's southern boundary lies just north (downstream) of the Narrows, a bedrock intrusion that divides the upper and lower San Pedro basins. The western boundary runs along the crest of the Rincon and Santa Catalina mountains, which separate the San Pedro and Santa Cruz watersheds. The northern boundary lies along Alder Wash and Kielberg Canyon. The eastern district boundary is an irregular north-south line through Range 20 East of the Gila-Salt River Meridian. It begins just northeast of the Narrows and ends on the southwestern flank of the Galiuro Mountains.

Elevations in the study area range from 2650 feet above sea level at the north end of the river corridor to over 8600 feet at the top of the Rincon Mountains. Average annual precipitation increases with elevation from roughly 10 inches to more than 24 inches. The terrain is extremely rugged, characterized by deep tributary canyons and washes cut into the foothills slopes on either side of the river. Vegetation communities include cottonwood-willow riparian forests and mesquite bosque terraces along the San Pedro River, mixed broadleaf forest in tributary canyons and washes, Upper Sonoran desert scrub on lower elevation uplands, Sonoran and Chihuahuan semi desert grasslands at intermediate elevations and madrean oak woodlands in the surrounding mountain ranges. Conifer forests occur at the very highest

elevations. This largely un-fragmented watershed includes the Chihuahuan Desert, Sonoran Desert, Southern Arizona Semi-desert Grassland, and Mexican Oak-Pine Woodland and Oak Savannah, all of which join together in the Lower San Pedro River valley.

Development is very limited. It is estimated that there are approximately 175 year round residents, less than was found in the area early in the 20th century, and probably less than occurred during some prehistoric periods. Crop agriculture and livestock production have been the dominant land uses since the arrival of Spanish missionaries in the region over 300 years ago. State lands are leased to private ranchers for grazing, as are most national forest lands. Land ownership is a patchwork of public agencies, private individuals, and private non-profit groups. Private lands are a minority of the area, concentrated along the river and around other naturally occurring water sources. The largest single land owner in the area is the Arizona State Land Department, holding lands in trust for Arizona public schools and various other trustees.

Land Ownership:

Federal	77,065 acres
State Trust	168,167 acres
Private	45,149 acres

For a more complete description of the district please refer to the Lower San Pedro River Watershed Assessment Project WPF-#00-109 (LSP). This assessment was completed as a result of the Redington NRCO applying for and receiving a Water Protection Fund Grant in 2002. The assessment was completed and presented for approval in 2006 and therein adopted by the Redington NRCO to be incorporated where applicable into the District's Long Range Natural Resource Conservation Plan and short term annual plan of operations.

III. General Policies and Procedures

The meeting schedule of the Redington NRCO varies based upon the amount of business at hand, but generally meets every other month (January, March, May, July, September, November). In general, meetings are held at the Cascabel Community Center located in Cascabel, but can be moved to other locations depending upon the business at hand. All meeting notices and agendas are posted according to AZ Open Meeting Law. Special meetings will be called as needed to handle urgent business.

State funding is used for board member expenses, employee/consultant salaries, educational efforts, and other expenses.

Arizona statutes mandate that an election will be held every two years for one of the three elected supervisors. Each elected supervisor serves for a period of six years and can succeed him or herself. After each election, the three elected supervisors submit recommendations to the State Land Commissioner for two supervisors who (to be approved for appointment by the Secretary of State) will serve until the next election if approved for appointment by the Secretary of State.

The District Board of Supervisors is responsible for informing the general public of available assistance and progress being made on local issues of public concern. The district develops an

annual plan of work which sets forth the high priority issues and conservation projects/educational workshops in the coming year. Board members should make themselves available to district landowners to address concerns and questions.

Minutes of the RNRCD board meetings are held by the district manager and are also available on file with the AZ State Land Department (1616 W. Adams St, Phoenix). Annual reports, financial reports, and funding requests are also on file with the AZ State Land Dept.

The Redington NRC has several Memorandum of Understanding agreements with federal, state, and local agencies for addressing natural resource issues and land/water management efforts.

IV. Purpose, Duties, and Responsibilities

The purpose for the Natural Resource Conservation Districts is mandated in Arizona statute as stated above. The objective of the Redington NRC is to provide leadership in promoting the conservation of all natural resources within the district. We are not and have never been a regulatory body which enforces comprehensive land use planning such as does a county government, but are instead a local governing body of elected officials tasked with educating local landowners about conservation in land and water use management, while facilitating on the ground conservation planning through program funding and technical assistance. Conservation districts are also responsible for prioritizing natural resource concerns for federal program funding through the Food, Conservation, and Energy Act of 2008.

The fact that we are non-regulatory does not diminish our importance in local land use planning, but makes our efforts that much more successful in that landowners follow our leadership and develop conservation planning on a voluntary basis. The Redington NRC is the only organized form of local government for the two local communities of Cascabel and Redington. For this reason we are solely responsible to coordinate land use actions and planning with federal, state, and local government planners for our area. The district keeps in close communication and at times surveys community members, landowners, and community organizations as to the goals and conservation issues of importance that the district should plan for.

We recognize that conservation plays a vital role in sustainable agriculture, rural community planning, the stewardship of the environment, and the general economy of the area. Our objective is to help bring about the use of each acre of agriculture and other lands within the limits of its capability and treatment of each acre in accordance with its needs for protection and improvement. Our responsibilities include continuous monitoring of all our resources to insure quality as well as quantity for future generations.

V. Land Use and Physical Characteristics of the District

Farming and ranching have existed as a major land use since at least re-settlement in the late 1800's (Sayre, 2004). Farming has been in practice for both subsistence and commercial/trading purposes dating back to pre-historic periods. Farmland occurs along the narrow benches adjacent to the San Pedro River and is subject to considerable damage from back cutting in the main channel and in the tributary side drainages. Ranching occurs on rangelands/pastures occurring from the valley bottom up to the highest foothills at the base of the mountain ranges that surround the lower watershed. Farmland is used for crop/hay production as well as irrigated

pasture. Using farm fields for irrigated pasture allows for rest/rotation of rangelands throughout the growing season for best management practices.

The primary source of irrigation water is groundwater pumped to the surface through wells. There is some remaining, but very little, diversion of river water from grandfathered pre-statehood surface water rights. Depth to the water table is shallow and despite persistent years of drought the water table remains stable overall.

It has been well documented that mesquite occurs in much greater density along the valley bottom than at the time of re-settlement in the late 19th century. The invasion is likely due to uncontrolled grazing during that time and resulted in sacaton grasslands being choked out by woody species. Mesquite trees are known for their ability to maximize all available water sources and in general use more water than other native vegetation and cultivated crops. Farmland creates a mosaic along the river mimicking to some extent the once present sacaton grasslands and is benefiting wildlife species dependent upon that habitat type.

Livestock numbers have fluctuated since re-settlement. In the early 20th century livestock numbers were for the most part uncontrolled and un-managed. Fencing was illegal and too expensive. Managing the resources for conservation was not prevalent because the number of cattle per rancher determined the swath of that rancher's control. During that time over-grazing did lasting damage to the vegetation and soils within the district. Today much of this damage (erosion, brush invasion, etc.) has been reversed or is steadily recovering. Recurrent droughts continue to affect forage production, but conservation planning has lead to better management on what large ranches remain. Conservation practices placed on the ground such as fencing, water pipelines, and vegetation treatments are common now and have improved grazing management. Man-made water sources also benefit wildlife in drought years and provide water in areas of habitat that may have been underused prior to placement.

At least one ranch in the district is actively managing mesquite forests along the valley bottom for lumber production and firewood cutting. Firewood cutting also occurs in other areas of the district but generally for private use and not commercial purposes.

There are several areas along the river with bee boxes. This has proven to be important for local agricultural operations and the general function of the various ecological processes in the area.

Recreation, hunting, and off-road use has increased within the district in the last twenty years due to the increased population pressure of nearby metropolitan areas, decreased access to state and federal lands in other districts, and the general increase in off-road vehicle recreation.

Virtually all subdivision has occurred in the southern half of the district as a result of large ranches going out of production and being sold for residential purposes. This has affected a large area of land, principally along the San Pedro River Corridor, but it has not reached the high densities and small lot sizes typically associated with the term subdivision. County zoning permits lots as small as 4.13 acres, but the average subdivided parcel in the study area is 68 acres (Sayre, 2004).

Conservation/preservation lands have steadily increased in the LSP. The Bureau of Land Management, The Bureau of Reclamation, The AZ Dept. of Game and Fish, Pima County, The Nature Conservancy, Salt River Project, and private landowners have protected close to 40,000 acres and invested over 25 million in acquisitions of conservation/preservation lands and water rights (Baker, 2010).

Further land use descriptions and historical conditions are available within the LSP Watershed report (WPF-#00-109).

VI. Major District Concerns and Objectives

During the analysis period of the LSP Watershed Assessment the residents/landowners within the district were surveyed to determine particular resource concerns. This was done through public meetings and mailed questionnaires. Additional public meetings were held at the close of the assessment in 2006 when the findings of the analysis were presented. The following is a summary of those concerns. For a more detailed listing of concerns please see the LSP Watershed Assessment report.

Upland Vegetation: Improve water infiltration on rangelands, control invasive shrubs and exotic plants, implement the use of prescribed burning.

Upland Erosion: Erosion control watershed wide, and address soil stability. Improvement of rangeland condition.

Fire: Prescribed burning to control invasive woody species, improve rangeland condition.

Riparian Vegetation: Control of fuel loads on federal lands and river banks, treatment of woody invasion in riparian areas, control of noxious and invasive species.

Bank and Gully Erosion: Address bank and gully erosion watershed wide, install rock dams to curb arroyo cutting.

Roads: Attention to road engineering and maintenance, erosion effects of side roads and off road vehicle effects.

Water: Consistent water supply, low water use crops, water recharge on uplands, water availability/developments for livestock and wildlife, flood control.

Noxious and Invasive Plants: Treatment and control.

Wildlife and Fish: Maintain corridors and un-fragmented habitat, predator control, habitat improvement, consistent monitoring.

Social Issues: Protection of private property rights, encourage purchase of development rights, maintain traditional agriculture, encourage local food production.

Educational Programs: Improved communication, education of new landowners, studies of cultural land use.

The major issues in the above list were considered in the data collection for the LSP Watershed Assessment. This long range natural resource conservation plan combines those issues from above with those that have been persistent concerns of the last twenty years.

1. Soil Erosion and Sedimentation – Sediment pollution of streams and erosion of rangeland is a major problem in the district. Two objectives to correct the problem are to affect

physical changes in the watershed to reduce erosion and to improve range management techniques to prevent erosion.

Erosion was a topic of considerable concern in the LSP Assessment. Soil conservation is a basic objective for all natural resource management. Soil erosion on uplands can reduce soil depth and therefore reduce soil moisture holding capacity and rooting depth. Soil erosion can result in the loss of nutrients from the watershed especially since these nutrients are most abundant in the surface soil. In addition, soil erosion contributes to sediment accumulation and lower water quality in drainages and reservoirs. Soil compaction can also reduce infiltration rates and soil moisture holding capacity, thus increasing runoff and erosion hazard. The LSP Assessment indicated that roads associated with recreation and utility construction/maintenance were the major source of erosion in the district and the number one cause of human-related gully erosion. Un-improved roads tend to intercept surface runoff and cause it to run down the road. This water builds up depth and erosive power and eventually starts to cut a gully in the tracks down the road. When these tracks develop into a deep rut or gully, the road is usually moved over to get out of the rut. Once started these gullies often tend to continue to erode, even if the road is moved. The severities of the problems relate to the slope of the road and the type of soil involved. Roads along ridges may have little problem because there is no source of water above them. Roads running down slopes act as channels for water (Smith, 2006). The Natural Resource Conservation Service describes the erosion hazard for the Stagecoach, Sonoran and Pinaleno soils, which make up 85% of the area, as severe which indicates that significant erosion is expected. The numerical rating is .95 where 1.00 has the greatest negative impact. Excessive erosion from roads can overwhelm a river's capacity to process sediment. Cross-country road construction increases unauthorized access to off-road vehicles. The clearing of vegetation and associated soil compaction from these roads counter the re-vegetation and rangeland improvement efforts currently taking place in the district (Baker, 2010).

Management: (LSP Adopted Recommendations)

Mitigating upland erosion depends mainly on maintaining a good vegetation and litter cover on the watershed and managing for the type of vegetation that will provide the most effective cover, i.e. perennial grasses instead of shrubs. The district will prioritize efforts that address reducing soil erosion through management of vegetation by way of mechanical methods, and vegetation management in areas existing in zones 41-3, 41-1, 41-2, and 40-1 (Smith, 2006). The deeper soil areas have been identified as priority areas for treatment, either to correct existing problems or to prevent future problems. The highest priority for vegetative treatment should be all sites with deep soils and heavier soil texture either in the A or B soil horizons. These areas tend to have relatively low infiltration rates and high soil erodibility. Figure 9 in the LSP Assessment Report delineates priority areas for treatment.

Mitigating bank and gully erosion involves improving general watershed condition by increasing soil-stabilizing vegetation, engineering structure or mechanical treatments, avoiding road construction with steep access and traveling across drainages. Gabions and diversion dams can also be of use. The district will continue to seek technical advice on engineering structural erosion reduction devices and prioritize projects that address

this issue. The district will discourage road construction that will increase this type of erosion which already exists as a problem along utility and gas lines. The district will encourage road construction based upon sound construction design to allow for water movement that does not increase erosion. The district will continue to promote sound road design, maintenance, and construction of the Cascabel/San Pedro River Road in order to address erosion and sedimentation issues.

The Redington NRCDC supports the 1991 Safford Resource Management Plan statements and planning with regard to soil erosion and the overall goal to minimize soil erosion and rehabilitate eroded areas to maintain and enhance watershed condition. The 1991 RMP specifically states that any future major cross-District utility rights-of-way proposals will be encouraged to use existing corridors.

2. Upland Vegetation – Grassland has declined from approximately 33% of the area to only 2%, i.e. it has been converted to shrub/grassland or shrubland. Likewise, shrub/grassland has declined from 43% of the area to 22%. Shrubland increased from 11% to 64%. Future objectives regarding this assessment are dependent upon what is possible on the ecological site, resource concerns, or desired uses. Desired results of the district are reducing shrubs, increasing perennial grasses, increasing cool season grasses, reducing non-native species, and increasing ground cover. Increasing the vegetative cover of perennial grasses in the upland areas will help slow runoff and also address concerns of sedimentation in waterways.

Management: (LSP Adopted Recommendations)

Proper livestock grazing should be employed wherever livestock are grazed to maintain or improve the range and increase livestock performance. Prescribed burning should be used to increase the presence of desert grasslands and various means of mechanical control of shrubs should be used where possible and economically feasible. Mechanical control should be followed with reseeding of native/perennial grass seed. Chemical control should be considered for shrub removal and is more economical/efficient than mechanical treatments. Biological control on the uplands should be considered through intensive goat grazing. Reseeding should only be considered in areas that have been pre-treated, and feasible for that location (i.e. soils, slope). The timing for this is critical; the seed is expensive and non-native species are likely to be more successful in this area. Reseeding should be considered in very specific situations and carefully planned.

3. Water Availability/Quantity- Providing water for wildlife and livestock was an issue raised by a number of people. Concerns about overdraft were also voiced. Good livestock grazing management is the key to achieving and maintaining good watershed condition in the LSP. An integral part of grazing management is water availability and location. Wildlife use and benefit from water developments created for livestock, especially during prolonged times of drought. According to mapping done for the LSP Assessment there are adequate watering sites available, however not all of them may be functional or provide water on a year round basis. Wildlife would benefit from water made available during the driest and hottest times of the year; however, livestock grazing is managed during this time of year to protect the seed base of grasses. This means that waters may not be in use

during this time for much of the area. Natural springs are generally subsurface during this time as well.

There is no evidence that the San Pedro River (SPR) was ever perennial throughout. The hydrographic survey report created by the Arizona Dept. of Water Resources (ADWR) states that in the Redington Sub-watershed there are about 4 miles of perennial flow, about 29 miles of formerly perennial flow that is now intermittent, and about 21 miles of intermittent flow that was historically intermittent. The SPR does not have perennial surface flow at the Narrows where it enters the LSP basin and there is no evidence of sub flow near the surface. According to ADWR only a small amount of sub flow enters the lower basin across the Narrows from the upper basin. The main water source coming from the upper basin is ephemeral flow. It appears that all or most of the surface flow in the river originates within the LSP watershed (Smith, 2006).

It appears that present water uses are in balance with the supply of groundwater. There is lack of evidence that perennial flow in the SPR has decreased or that well levels have decreased. During the drought some well levels reported drops, but they were likely dependent upon tributary ground water. Agricultural use has declined in recent years and probably will not increase. Riparian vegetation use has probably increased substantially over the past 50 years, but that increase will likely stabilize as banks stabilize and cottonwood/willow forests decline and revert to grass banks. This change is likely to take a considerable amount of time. Saltcedar and mesquite invasion is contributing to an increase in the use of groundwater. Residential use is low at this time, but could increase in the future.

Management: (LSP Adopted Recommendations)

Not all species of wildlife require the availability of water year round or in close proximity. Bat species and ungulates are the exception. Water surface areas with little obstruction that are readily available are important for bats for foraging purposes and hydration. Ungulates and avian species are not constrained by fences and land ownership and can likely find water if available, especially with the coverage currently available. The district will encourage and possibly consider a funding program to compensate ranchers for maintaining water sources for mid-summer availability for the benefit of wildlife. The district will continue to prioritize water availability projects if those projects are integral in livestock management, but it appears that most areas are sufficiently covered.

Exotic and invasive species are present and increasing in some areas of the river channel and immediate terraces and should be treated either chemically or mechanically in order to ensure that surface flow in some areas is not threatened by these species. Areas with such little overall precipitation, as the lower uplands, do not benefit enough relative to the expense of treating for water infiltration. Only removal of trees in the upper most watershed that receives more precipitation would yield any increase in water that would reach the river. For this result a practical clear-cutting would be required and that would be counter to all other efforts by the district to address erosion and wildlife habitat

continuity. The district will encourage the most efficient water use in irrigation methods and prioritize projects that involve conversion to efficient irrigation methods.

4. **Water Quality** – The quantity and quality of water available in desert environments is a common concern. At present there does not seem to be any significant water quality problems associated with human causes. It would not be advisable to drink surface water within the LSP due to possible Giardia or Cryptosporidium contamination.

The AZ Department of Environmental Quality has found that sediment load is high when flows are high.

Management: (LSP Adopted Recommendations)

The NRCD will provide educational programs regarding the possibilities of surface water contamination in waste disposal, farming and livestock management practices and encourage the use of “best management practices”. Sediment loads during peak flows will be addressed with actions specific to addressing erosion issues within the LSP.

5. **Noxious and Invasive Plants** – This issue encompasses a broad spectrum of concerns brought about by district residents. Invasive and Noxious plants do occur in the LSP. Methods for controlling most of them are limited.

Management: (LSP Adopted Recommendations)

Control and treatment of salt cedar and mesquite are the only realistic efforts, and both are expensive. New Mexico has successfully treated salt cedar with herbicide in the Rio Grande, and some work has been done with regard to this in the upper reaches of the SPR. The district will investigate the cost to benefit ratio of such treatments. The district will stay informed of the best chemical and mechanical treatments available to farms to reduce noxious and invasive weed species. This information is a result of our partnership and working relationship with the Natural Resource Conservation Service.

6. **Wildlife and Fish** – There is very little information available as to fish and wildlife trend data specific to the LSP. We do know that habitat composition has changed in the last 100 years to the detriment of grassland dependent species and the benefit of others, such as migratory neo-tropical avian species. This has surely had an impact on the population dynamics of those species. This largely un-fragmented watershed includes the Chihuahuan Desert, Sonoran Desert, Southern Arizona Semi-desert Grassland, and Mexican Oak-Pine Woodland and Oak Savannah, all of which come together in the Lower San Pedro River valley. This results in a high diversity of species present in the watershed, to include some species that exist only in areas of the overlap. Maintaining wildlife corridors are of high concern within the district. Corridors are used by wildlife for three principle reasons: dispersal, migration, and home range movements. Natural corridors enable movement in response to environmental changes, genetic interchange, and re-colonization. In general, habitat fragmentation is inversely related to species success. As fragmentation increases, the likelihood of species survival decreases. Un-fragmented landscapes are key indicators developed by biologists in assessing the conservation value of regions and sites and the imminence of the threat they face (Baker, 2010). Large blocks of habitat have the potential to sustain viable species populations and they permit a broader range of species and ecosystem dynamics to persist. Studies have shown that even specialized species such

as neo-tropical migrants are using the entire watershed, not just the “green ribbon” created by the SPR (LSPRWA, 2006). Prime habitat and rare native fish populations are found throughout the Middle SPRV, both in the eastern and western valley tributaries (Baker, 2010).

Generally habitat fragmentation occurs because of development, which is not currently a threat in the LSP. Linear corridors such as utility lines are a form of habitat fragmentation and create a negative edge effect. As fragmentation increases the interior habitat for specialist species becomes smaller and generalist species dominate the habitat and species diversity decreases. Presently a utility and gas line already transect the district. These lines are minimal, but have caused issue with habitat degradation through vegetation removal, introduction of noxious plant species, increased gully erosion, and increased access to OHV use. The impact from off-road vehicles can be very significant in desert areas due to destruction of vegetation, compaction of soils, increased sediment load into streams, increased illegal dumping, and trespass (Baker, 2010). There has been some subdivision of ranches into “40 acre PARCELS” and 10-65 acre residential properties. This can affect the movement of wildlife and result in resource issues related to highly variable management practices that result in negative impacts. There are still livestock management issues to address among smaller acreage operations as related to fisheries and wildlife as well as all other concerns.

Management: (LSP Adopted Recommendations)

The district will consider maintaining or improving habitat diversity and therein species diversity through land treatments that encourage a mosaic of vegetative structures and biodiversity. The district will investigate and promote studies in the area that further the knowledge of existing species diversity and population trends. The district will discourage habitat fragmentation and stream sedimentation created by utility or major transportation corridors. The district will sponsor and promote education opportunities for small acreage landowners to learn about natural resource conservation practices suited for their operations. The district will continue to promote proper grazing management techniques for “newcomers” and small acreage landowners. Large scale housing development is not a concern at this time.

7. Conservation Planning/Conservation Education – Conservation planning is important for the watershed as a whole no matter the size (acreage) of land ownership. Proper planning can address many concerns at the same time. The NRCD currently sponsors a Conservation Education Center that promotes and educates local cooperators, students, and landowners about conservation practices etc.

The Redington NRCD works in partnership with various federal, state, and local government agencies, local government bodies, and private landowners. The NRCD is the only existing form of local government within the district boundaries. For this reason and because the district focuses its efforts and mission according to natural resource conservation, protection of the tax base and water rights, the district will invoke *coordination* with any federal or local agency and or federal/local government body connected with the Federal Land Policy and Management Act in order to coordinate future

actions within the district. Those actions and management plans should coordinate and be consistent with this long range plan.

*43 USC Section 1712 (c)(9) provides that the Secretary of Interior "shall" "coordinate the land use inventory, planning **and management activities** of or for [the public lands] with the land use planning and management programs of other Federal departments and agencies and of the State **and local governments** within which the lands are located..."*

Congress expanded upon this mandate of coordination by specifying that coordination would include a minimum of the following:

Keep apprised of our local plans;

Consider our plans in your planning;

Assist in resolving inconsistencies between your plans and our local plans;

Provide "meaningful" involvement of our local government officials in

*the "**development**" of your "land use programs, land use regulations and land use decisions."*

Management:

Coordinated Resource Management Plans/Ranch Management Plans will be encouraged for agricultural operations and education workshops will be sponsored by the district to address small acreage conservation planning.

The district will continue to sponsor the Redington Conservation Education Center.


The District will invoke *coordination* with any federal or local agency and or federal/local government body connected with the Federal Land Policy and Management Act in order to coordinate future actions within the district. Those actions and management plans should coordinate and be consistent with this long range plan.

VII. Provision for Revision

The Plan shall be amended from time to time as conditions indicate and the need for modification occurs. The Board of Supervisors will review this Plan once a year for this purpose.

VIII. Resolution for Adoption

This Long Range Natural Resource Conservation Plan was adopted by the Redington Natural Resource Conservation District Board of Supervisors, on this twenty-fourth day of August, 2010.



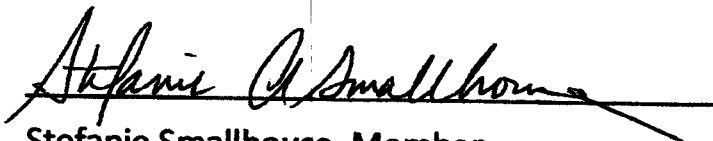
Charles Kent, Chairman



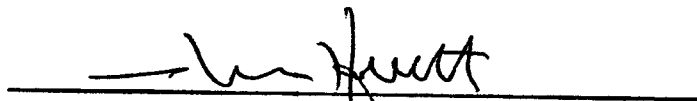
Andrew Smallhouse, Vice Chairman



Susan Newman, Member



Stefanie Smallhouse, Member



Charles Ffolliott, Member

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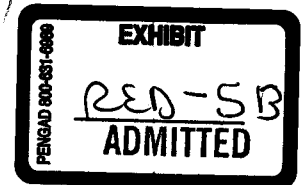
Redington Natural Resource Conservation District

Conservation Implementation Strategy

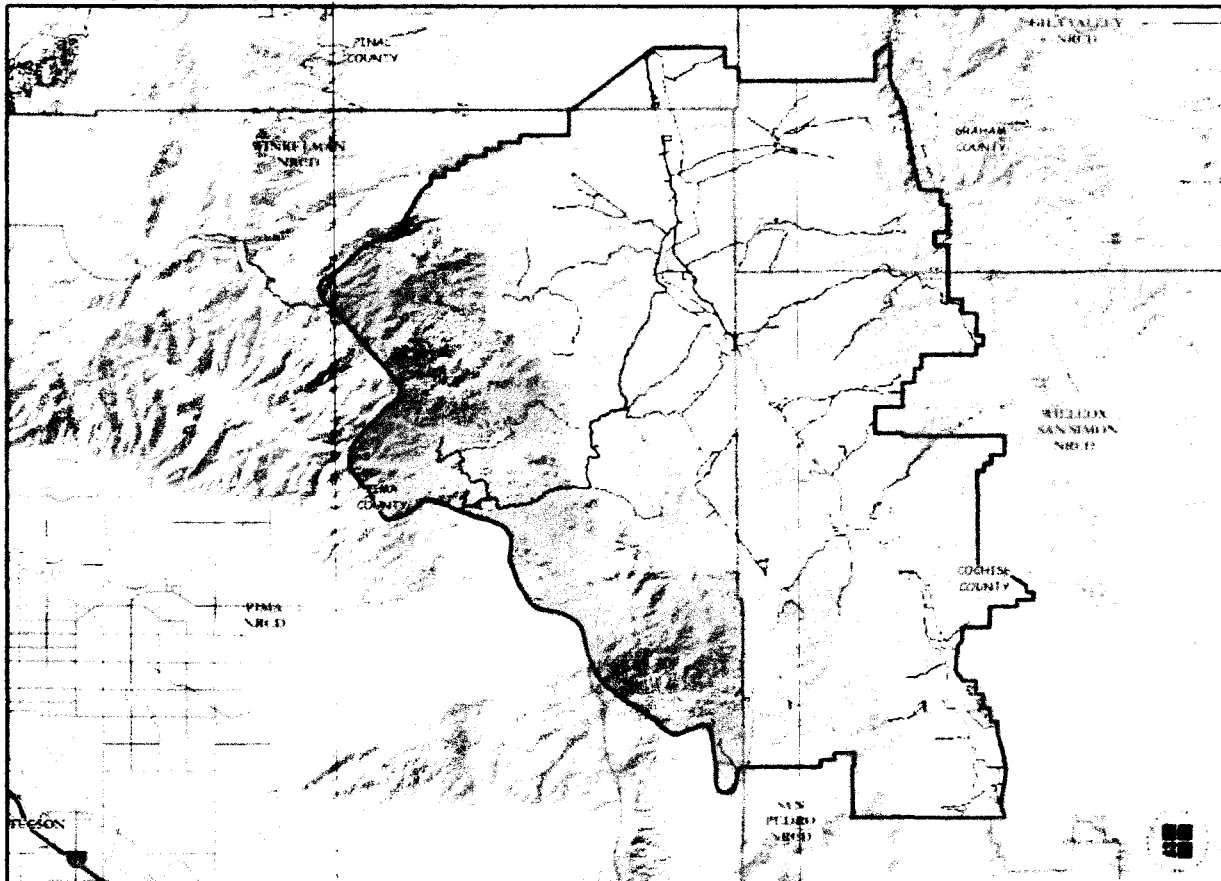
Soil Stability and Water Conservation in the

Lower San Pedro River Watershed

June 2014



REDINGTON NRCD



I. Area Description:

The Redington Natural Resource Conservation District (RNRCD) boundaries overlap portions of four counties: Cochise, Pima, Pinal, and Graham. The District encompasses approximately 290,381 acres in the San Pedro River valley of southeastern Arizona. It includes approximately 31 miles of the San Pedro River (SPR), which runs north-northwest through the middle of the district and is the area's most defining geographical, ecological and social-historical feature.

The district's southern boundary lies just north (downstream) of the Narrows, a bedrock intrusion that divides the upper and lower San Pedro basins. The western boundary runs along the crest of the Rincon and Santa Catalina mountains, which separate the San Pedro and Santa Cruz watersheds. The northern boundary lies along Alder Wash and Kielberg Canyon. The eastern district boundary is an irregular north-south line through Range 20 East of the Gila-Salt River Meridian. It begins just northeast of the Narrows and ends on the southwestern flank of the Galiuro Mountains.

Average annual precipitation increases with elevation from roughly 10 inches to more than 24 inches; however, since 2000 precipitation has been well below this average. The terrain is extremely rugged, characterized by deep tributary canyons and washes cut into the foothills slopes on either side of the river. Vegetation communities include cottonwood-willow riparian forests and mesquite bosque terraces along the San Pedro River, mixed broadleaf forest in tributary canyons and washes, Upper Sonoran desert scrub on lower elevation uplands, Sonoran and Chihuahuan semi desert grasslands at intermediate elevations and madrean oak woodlands in the surrounding mountain ranges. Conifer forests occur at the very highest elevations. This largely un-fragmented watershed includes the Chihuahuan Desert, Sonoran Desert, Southern Arizona Semi-desert Grassland, and Mexican Oak-Pine Woodland and Oak Savannah, all of which join together in the Lower San Pedro River valley. The San Pedro River is generally entrenched 20-30 feet below a pre-1880 floodplain.

Major Land Resource Areas (MLRA) are broad areas based on climate, geology, and soil patterns. There are two major land resource areas in the focus area: Sonoran Basin and Range -40 (Upper Sonoran Desert Scrub 40-1), and SE Arizona Basin and Range - 41 (Mexican Oak-Pine Woodland and Oak Savannah 41-1, Chihuahuan-Sonoran Desert Shrub Mix 41-2, Southern AZ Semidesert Grassland 41-3).

Ecological sites within the District have been identified. Ecological site descriptions classify land within an MLRA based upon its ability to produce a distinctive type and amount of vegetation due to significant difference in parent material, soil characteristics, topographic position, or other factors. This system was developed by the NRCS and has been widely used in resource management and planning.

Crop agriculture and livestock production have been the dominant land uses since the arrival of Spanish missionaries in the region over 300 years ago. State lands are leased to private ranchers for grazing, as are most national forest lands. Land ownership is a patchwork of public agencies, private individuals, and private non-profit groups. Private lands are minority acreage of the area, concentrated along the river and around other naturally occurring water sources. The largest single land owner in the area is the Arizona State Land Department, holding lands in trust for Arizona public schools and various other trustees.

Land Ownership:

Federal	77,065 acres
State Trust	168,167 acres
Private	45,149 acres

II. Background:

In 2003, the RNRCD initiated a district wide resource assessment which was completed in 2006 and titled: The Lower San Pedro River Watershed Assessment Project (LSPWAP). In the early stages of the LSPWAP, a series of public meetings were held and the following major issues and concerns were identified among several others: Upland Vegetation – shrub control, increased vegetative cover, improvement of range condition, native plant and grass restoration, invasive shrub control, improvement of water infiltration on rangelands; Upland Erosion – soil stability, erosion control; Riparian Vegetation – control of fuel loads, noxious weed control, overpopulation of woody species; Bank and Gully Erosion – bank stability and erosion; Flood Control; Surface Water and Stream Flow – water recharge, water supply; Groundwater Supply – water use and recharge, water infiltration of uplands; Wildlife and Fish – habitat improvement to include water availability. Each of these major issues was included in the LSPWAP report of 2006.

In general, water reserves, in the form of ground water supplies, are an essential element of land use planning throughout Arizona and have always been a component of District planning. In a recent report from the Arizona Dept. of Water Resources, “Arizona’s Next Century: A Strategic Vision for Water Supply Sustainability”, the Lower San Pedro River Valley was not identified for any primary effort to address ground or surface water issues. Analysis of current and projected uses did not identify any threat of overdraft. Limited natural recharge and water capture related to weather patterns and the composition of soils and upland vegetation will justify continued focus on water conservation in production agriculture and domestic use into the future.

The LSPWAP concluded grassland has declined by approximately 31% having been converted to shrub/grassland or shrubland. Shrub/grassland has declined from 43% of the area to 22%, while shrubland has increased overall by over 50% (Smith et al. 2006).

A number of studies have documented changes in upland vegetation in southern Arizona, and particularly in the desert grassland area (Smith et al. 2006). As reflected in the LSPWAP, the most dramatic change within this planning area has taken place within the

desert grassland zone – MLRA 41-3, with substantial changes occurring in the historically dominated shrub grassland and grassland areas within the District. These areas are now either dominated by shrubs or the amount of shrub cover has increased significantly. It is likely these changes were initiated by uncontrolled grazing and fire suppression during the late 19th century and early 20th century. Most of the rangeland was unfenced and water was not readily available throughout; resulting in overstocked cattle concentrating in areas and eventually prompting the spread of shrubs as grasses were over utilized and became less dominate.

Land managers of the last half century have implemented grazing management programs which have countered the rate of shrub invasion in grassland areas, but the severe droughty conditions of the last twenty years have made conditions more favorable to invasive shrub species over perennial grasses despite these efforts and therefore a more aggressive approach is needed.

Conversion from grassland and grass/shrubland mix to shrubland dominated areas has resulted in several resource concerns. The purpose for this conservation implementation strategy is to identify possible actions which could be taken to reverse this trend and therefore address associated resource concerns.

Also of major concern as identified during the LSPWAP, is vegetation and water availability along the riparian corridor of the San Pedro River. This area provides valuable wildlife habitat, specifically of note a major migratory flyway for neo-tropical migratory bird species.

Prior to the initiation of arroyo cutting along the banks of the river in the late 1800's, the river flowed in a fairly shallow and narrow channel in most places, inundated frequently and sub-irrigated from the high water table in many areas. The main vegetation on the floodplain appears to have been sacaton, with a limited amount of cottonwood, willow, or other woody species. There is little evidence of extensive stands of mesquite woodland along the river (Smith et. al. 2006). There are several possible reasons for the entrenchment of the river banks in the late 19th century, but the resulting drop in the water table along the banks became more favorable to mesquite and woody species over sacaton, which requires periodic flooding within its root zone. After several decades of flooding and further erosion of the banks, a new more stable floodplain has developed over time at a lower level between these banks to the point when aggradation will occur and bank cutting will diminish.

III. Problem Statement:

Uplands- A greater than 50% decline in grassland and shrub/grassland area has occurred within the study area of the Lower San Pedro River Watershed in the last 140 years. Please see Appendices: Appendix A – Map of Historic Vegetation (pre-settlement), based upon NRCS ecological site descriptions; Appendix B – Map of Present Vegetation, based upon field data; Appendix C – Map of Priority for Vegetation Management to Prevent/Reduce Upland Soil Erosion.

Approx. acres of historic and present vegetation in the Lower San Pedro watershed project area.

(Table 5. Smith et.al., 2006)

LSP Watershed Resource Type	Historic Vegetation Acreage	Present Vegetation Acreage
Woodland	48,178	48,178
Grassland	152,410	8,653
Shrub/Grassland	201,607	99,967
Shrubland	53,129	298,526
Mesquite Woodland	*	4,147
Cultivated Fields	*	3462
San Pedro Channel/Riparian	*	2,525
Total Acreage	455,324	465,458

*No acreages were assigned to these areas because their relative extent in "historic times" is unknown.

The annual precipitation within the focus area had been generally between 10-24 inches; however, the U.S. Drought Monitor has consistently rated this area of SE Arizona to be in extreme drought. This has been favorable to an increase in shrub species, and a decline in perennial grasses and forbs. It is important to maximize moisture absorption in areas where and when possible, given the following factors: soil texture, soil structure, surface roughness, depth to soils restricting infiltration, rainfall intensity and duration, slope, and ground cover. It is not uncommon for precipitation events to result in > 1" of water in a very short amount of time. Historically this water would have been slower to run off with a greater presence of grasses, but in recent years the increase in shrub species means this water travels more quickly downstream and takes more soil with it.

Erosion is a natural process to some extent and there are areas within the District which are pre-disposed for shrub dominated vegetation. The goal for these areas is to prevent the rate of erosion from increasing significantly due to land use or management. Educational efforts will be made to inform land managers of the production potential of these sites to encourage management decisions which correlate to site potential and avoid over utilization of soil and vegetation resources.

The rate of erosion increases as ground cover decreases. The rate of water infiltration decreases as ground cover decreases. Soil surface protection on sites with the greatest potential for grass production can be improved by vegetation manipulation. In general, perennial grass cover is better at protecting the soil surface than shrubs. Surface protection will result in greater water infiltration rates and a decreased rate of soil erosion during average precipitation events. According to the LSPWAP, the highest erosion rates were seen in the shrublands at lower elevations with lower vegetative cover, and especially on steeper slopes. Of these areas, the best opportunity to achieve better soil protection and thereby increased water infiltration exists on sites with deeper soils, gentler slopes, and greater grass potential. Areas where shrubs have not completely taken over should be priority over those areas where grass cover has severely declined.

Continuing with applied grazing management techniques and practices is an essential component of upland resource planning. Proper grazing rotation aids in the management of plant composition and vigor – an important aspect of soil management and water infiltration.

Priority Classes for Vegetation Treatment (Smith et.al. 2006)

Low Priority	Medium Priority (87,770 ac.)	High Priority (114,744 ac.)
Bedrock	Limy Slopes 41-2, 41-3	Loamy Upland
Forest/Woodland 41-1	Limy Fan 41-2, 41-3	Loamy Hills
Volcanic Hills	Sandy Bottom 41-2, 41-3	Clay loam Upland
Granitic Hills	Sandy Upland 41-2, 41-3	Clay Hills
Limestone Hills	Sandy Loam Deep Upland 41-2, 41-3	Clay Upland
Limy Upland	Sandy Loam Shallow Upland 41-2, 41-3	Sandy Loam Upland
All of 40-1 except Loamy Upland/Loamy Hills		

Invasive woodlands along the floodplain -

Dense mesquite woodland growth is fairly recent (early 1900's), having replaced large areas of sacaton grass along the floodplain of the lower San Pedro River for most of its length (Smith et. al. 2006). The banks of the River are severely down cut along extensive stretches and although the cause of the river bank incision is not agreed upon, it has resulted in a more habitable environment for shrub encroachment.

Mesquite is a phreatophyte and able to take advantage of any water available, both near the surface and at depths of up to 200' due to very long taproots; their rate of evapotranspiration is significantly higher than any other plant in this area, including irrigated crops. The encroachment of mesquite bosques along the River has created bird habitat, but conversely; it is likely this has had an effect on surface water availability in the channel, habitat diversity, soil nutrients, and bank stability.

There are areas along the river channel which have become wide enough that flood waters are not causing bank sloughing to previous extents and the banks are gradually sloping down. In these areas, a new floodplain is being created where grasses are re-establishing and the mesquites are dying back.

As has happened along many Southwestern water ways, saltcedar (tamarix) trees have also become established along many stretches of the lower San Pedro River and becoming denser. Saltcedar is an aggressive riparian tree species, which can "out compete" other more desirable native riparian species, creating a monotypic environment. Tamarix have a high evapotranspiration rate as well, and it's been observed that dense "clumps" of these trees cause blockages during high flow events, furthering bank sloughing in those areas as the water is forced around these islands and into the banks.

Whether SE Arizona has transitioned into a drier climate cycle long term, or the current drought continues into the next few years, there is a need to continue to implement water conservation measures within the valley.

IV. Goals/Objectives:

The Redington NRCD, along with its conservation partners, would like to prioritize those projects which focus on the management of upland vegetation and the control of invasive vegetation along the river floodplain.

Goal: Upland – Improved water infiltration rates, decreased erosion rates, greater perennial grass presence.

Objective 1: Identify the characteristics for high priority areas.

Objective 2: Treat those areas with mechanical, chemical, and grazing management methods so as to encourage perennial grass seed production and discourage the further establishment of shrub species.

Objective 3: Provide education to land managers as to site potential and effective management tools.

Goal: Mesquite Woodlands – Decrease the velocity and quantity of runoff into the river channel, maintaining the current progression of the river bottom from deeply cut and erosive banks back to the narrower meandering channel of historic record.

Objective 1: Identify the characteristics for high priority areas.

Objective 2: Begin mesquite removal treatments in limited areas of highest potential.

Objective 3: Implement monitoring of treatment areas to aid in future expanded efforts of treatment.

Goal: Water Conservation – Utilize ground water sources efficiently.

Objective 1: Improve irrigation efficiencies through applied technologies.

V. Alternatives:

- No Action
- Strategic Approach with implementation of conservation practices and tools to accomplish the following: brush management, riparian invasive management, grazing management, applied irrigation efficiencies, and education.

Upland –

Under the current drought conditions, a “No Action” approach will result in the continued decline in overall grass and grass/shrubland environments in the watershed, which will affect overall soil nutrients and stability, wildlife habitat availability, and production capabilities for historical and efficient land uses.

A strategic approach to upland vegetation management will maintain what grass and grass/shrub sites remain. This is beneficial for erosion control, water infiltration, and forage control. Some vegetation monitoring in the District has shown a decline in shrubs and increase in annual and perennial grass frequencies. This may be due to the drought affecting the shrubs to such a point when the grasses can once again be competitive but not yet thrive. This would be a good time to take advantage of this weakness and focus attention on brush management projects and grazing intensity, duration, and timing.

Woodland Invasion of the Floodplain –

Under a “No Action” alternative, it is possible that the floodplain of the river will continue to widen and the banks will aggrade to eventually re-establish a narrower, meandering channel without any action. This will likely take a significant amount of time and with the continued presence of invasives such as mesquite and saltcedar the system is very vulnerable to high flow events and re-incision.

A strategic approach to encouraging the re-establishment of native grasses in areas of the river floodplain, where currently achievable, would ensure that those stretches of the river are not contributing to sedimentation, using less water, and providing diversified habitat.

Water Conservation –

Under a “No Action” alternative, there would be no further water savings where room for conservation still exists. This would mean loss of water to evaporation, and less crop uptake efficiencies.

A strategic approach to encouraging the implementation of improved irrigation efficiencies through applied technologies and education would be a pro-active approach to ensuring stable ground water supplies well into the future.

VI. Proposed Solutions and Actions:

Mapping will be referenced and field site visits will take place in order to determine areas of priority with the highest potential for improvement. The District will promote this effort and encourage the involvement of land managers in conservation programs and partnerships which will further this effort.

Possible Conservation Practices:

Brush Management – 314
Prescribed Grazing – 528
Upland Wildlife Habitat – 645
Range Planting – 550
Grazing Land Mechanical Treatment – 548
Fence – 382
Livestock Pipeline – 516
Irrigation water conveyance – 430
Irrigation pipeline - 430

VII. Partnerships and other Funding Sources

In order to ensure a successful effort in implementing the objectives for our conservation goals, several partners will need to come together, bringing different resources to the effort. The primary participatory roles for this effort are private land owners within the planning area. The Redington Natural Resource Conservation District's involvement will be focused on educational efforts, program promotion, and technical assistance. The Natural Resource Conservation Service is a great presence in the valley and longtime partner for land owners wanting to participate. The agency will provide technical assistance and Environmental Quality Incentive Program administration and cost share.

There is very little federal land within the planning area which relates to the above stated goals. To date there has not been enough federal involvement in this planning effort to assume assistance from the Bureau of Land Management towards these goals on public land acreage.

The AZ State Land Department is the largest land manager in the valley and will continue to work with grazing permittees and the Conservation District to provide oversight on projects proposed for implementation on state lands.

VIII. Implementation

This strategy is intended to be the focus of the District's efforts for program prioritization and educational efforts from FY 2015-2020. Any funding opportunities which become available for use within the District will first be considered for these resource concerns and then other projects thereafter. At this time the financial assistance needed and the acreage goal is purely an estimate given that these efforts are voluntary and it is difficult to anticipate which landowners are willing and able to pursue such projects in the next five years. This strategy will aid conservation partners in prioritizing monies made available through both federal and private funding sources and assist landowners in determining the potential of project sites. An extensive watershed assessment was completed in 2006 and this information along with more recent field visits to potential sites will aid in determining those areas with the greatest potential for improvement.

Priority Classes for Vegetation Treatment (Smith et.al. 2006)

Low Priority	Medium Priority (87,770 ac.)	High Priority (114,744 ac.)
Bedrock	Limy Slopes 41-2, 41-3	Loamy Upland
Forest/Woodland 41-1	Limy Fan 41-2, 41-3	Loamy Hills
Volcanic Hills	Sandy Bottom 41-2, 41-3	Clay loam Upland
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All of 40-1 except Loamy Upland/Loamy Hills		

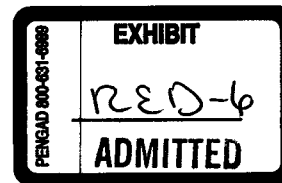
Resource Concern 2015-2020	Treatment	Specific Goals	Funding (NRCS Conservation Program)	Funding (Landowner - Cost share)
Degraded plant condition- undesirable plant productivity and health, inadequate structure and composition.	Brush Management - 314 Prescribed Grazing - 528A Range Planting - 550 Livestock Pipeline - 516 Upland Wildlife Habitat - 645 Grazing Land Mechanical Treatment - 548 Fence - 382	20,000 acres 30,000 acres 20,000 acres 25 miles 20,000 acres 20,000 acres 25 miles	See Below See Below See Below See Below \$462,000.00 \$4,400,000.00 See Below	 \$115,500.00 \$1,100,000.00
Severe bank erosion - soil erosion- concentrated flow Soil erosion- sheet/rill	Prescribed Grazing - 528A Grazing Land Mechanical Treatment - 548 Fence - 382 Range Planting - 550	30,000 acres 20,000 acres 25 miles 20,000 acres	See water quality \$231,000.00 \$5,200,000.00	 \$57,750.00 1,300,000.00
Water quality degradation - excessive sediment in surface waters	Brush Management - 314 Prescribed Grazing - 528A Grazing Land Mechanical Treatment - 548	20,000 acres 30,000 acres 20,000 acres	\$2,500,000.00 \$660,000.00 \$700,000.00	\$625,000.00 \$165,000.00 \$175,000.00
Water Conservation - irrigation efficiencies	Irrigation water conveyance - 430 Irrigation System - Sprinkler-442	79,200 ft 1600 ft	\$158,400.00 \$99,200.00	\$39,600.00 \$24,800.00
Total:	Total Treatment Area encompasses Approx.	31,000 acres	\$14,410,600.00	3,602,650.00

IX. Progress Evaluation and Monitoring

The NRCS will track Environmental Quality Incentives Program work completed within the District and report to the District as to number of acres treated in high priority areas. Landowners participating in these projects will be encouraged to set up monitoring sites within the project area so as to determine the effectiveness of the treatment. This information will be reported annually and used for planning purposes during the Local Work Group process.

The individual landowners participating in this effort will choose who will do the implementation of on the ground work and follow up monitoring efforts. Given that each project will have different dynamics, monitoring will have to be designed on a case by case basis.

The Conservation District may choose to volunteer its services in follow up monitoring on certain treatment projects which serve as important education examples and learning experiences for other landowners within the planning area.



Redington Natural Resource Conservation District

Policy: Major Utility/Transportation/Communication Corridors

Original
2010
2015 (a)

Background

The lands within the Redington Natural Resource Conservation District include valuable agricultural production acres as well as lands that are historically and culturally significant. The Lower San Pedro River valley is well known as an important migratory flyway and unfragmented wildlife corridor between the Galiuro, Catalina, and Rincon Mountain ranges. Agricultural production supports the local tax base and helps to ensure continued open space.

Current utility lines and access roads have created environmental concerns in the form of soil erosion, water quality degradation, and increased off road vehicle damage to the watershed.

There is a minimum of private land still withheld in the District; that which provides the tax base supporting local school districts and county services, maintains undeveloped riparian areas and associated state/federal grazing leases providing active management of the natural resources upon them and further support for educational institutions. There are properties within the District considered to be mitigation lands purchased with the specific intention of providing habitat for specific species in order to mitigate land use actions in other areas. Negating this mitigation action would result in the need for further land purchases leading to more acres taken out of production, affecting the local economy.

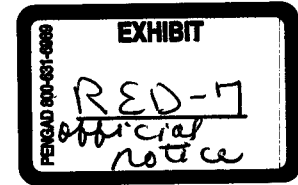
Any new major utility/transportation construction would adversely affect the above mentioned resources by promoting further land fragmentation, loss of private ownership, the possible destruction of valued cultural and historic resources, disturbance of soil and degradation of water quality as well as affect the ability of landowners to steward their properties and produce essential products for the benefit of the people of the District, the State of Arizona, and the Country.

The Lower San Pedro River Watershed Assessment funded through the AZ Water Protection Fund found roads to be a major issue of concern with area landowners as related to problems of erosion and other resource impacts. Roads associated with existing utilities were included in the determination that roads were considered to be the number one cause of human related gully erosion. These roads interrupt surface runoff and cause it to run down the road eventually leading to gully cuts along tracks in the road. Also reflected in this assessment was that 34-54% of the watershed falls within a low to moderate soil stability rating, meaning that these soils are more vulnerable to soil instability.

Policy

It is the policy of the Redington Natural Resource Conservation District to oppose the construction of any new major energy, transportation, or communication corridors through the Redington NRC. When corridor placement is unavoidable and to minimize impacts of such actions, all future construction of such corridors should be along existing corridors of similar

capabilities that would only require an upgrade from what currently exists. Where no corridor disturbance currently exists the conservation district will advise project managers of necessary mitigation measures to be taken in order to minimize the impact to ecological resources and rapidly implement post-construction restoration and monitoring.



Coordinated Planning

Federal and state statutes require administrative agencies to work coordinately with local government in developing and implementing plans, policies and management actions.

Federal Land Policy and Management Act (1976)

Congress defined coordination in 1976 when it passed FLPMA 43 USC 1712 (ACT)

43 USC 1712 (c) (9) States that *the Secretary Shall (9) to the extent consistent with the laws governing the administration of the public lands, coordinate the land use inventory, planning, and management activities of or for such lands.....*

43 CFR 1610.3-1 (FLPMA Regulations) Coordination of Planning Efforts

(a) In addition to public involvement prescribed by 1610.2 the following coordination is to be accomplished with other Federal agencies, state, and local governments, and federally recognized Indian tribes. The objectives of the coordination are for the State Directors and Field Managers to:

- a. Keep apprised of state, local, and tribal land use plans,*
- b. Assure that consideration is given to those plans,*
- c. Assist in resolving inconsistencies between federal and non-federal Govt. plans,*
- d. Provide meaningful involvement of local governments including early notice,*
- e. Make federal plans consistent with local plans. (ACT) "to the maximum extent he finds consistent with Federal Law and the purpose of this Act." (Doing this would be consistent with the NEPA process)*

Cooperation and Coordination are referred to separately. In 1610.3-1 (a) Coordination, in 1610.3-1(b) Cooperating Agencies, in (1610.3-1 (c) coordination with the Governor/State agencies and in (d).....

(d) in developing guidance to Field Manager, in compliance with section 1611 of this title, the State Director Shall:

- (1) Ensure that it is as consistent as possible with existing officially adopted and approved resource related plans, policies or programs of other Federal agencies, State agencies, Indian tribes and local governments that may be affected as prescribed by 1610.3-2 of this title;*
- (2) Identify areas where the proposed guidance is inconsistent with such policies, plans or programs and provide reasons why the inconsistencies exist and cannot be remedied; and*
- (3) Notify the other Federal agencies, State agencies, Indian tribes or local governments with whom consistency is not achieved and indicate any appropriate methods, procedures, actions*

and/or programs which the State Director believes may lead to resolution of such inconsistencies.

National Environmental Policy Act (1969)

42 USC 4321 (ACT)

Title 1 Section 4332 – Cooperation of Agencies; Reports; Availability of Information; Recommendations; International and National Coordination of Efforts.

CEQ "Section 102"

(c) include in every recommendation/report.....major federal actions significantly affecting the quality of the human environment.....

- i. The environmental impact of the proposed action
- ii. Any adverse environmental effects which cannot be avoided should the proposed be implemented.
- iii. Alternatives to the proposed action
- iv. The relationship between local short term uses of man's environment and the maintenance and enhancement of long term productivity.
- v. Any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

NEPA Regulations – 40 CFR 1500 Purpose, Policy and Mandate (Part 1500)

(Title 40: Protection of Environment PART 1502: Environmental Impact Statement)

Section 1502.16 Environmental Consequences (Note that NEPA requires coordination for any action under an EIS)

(c) Possible conflicts between the proposed action and the objectives of Federal, regional, State, and local (and in the case of a reservation, Indian tribe) land use plans, policies and controls for the area concerned.

Section 1506.2 Elimination of duplication with State and local procedures.

(d) To better integrate environmental impact statements into State or local planning processes, statements shall discuss any inconsistency of a proposed action with any approved State or local plan and laws (whether or not locally sanctioned). Where an inconsistency exists, the statement should describe the extent to which the agency would reconcile its proposed action with the plan or law.

****THE COURTS HAVE DEFINED THE MEANING OF THE TERM COORDINATION TO MEAN: OF EQUAL IMPORTANCE, RANK OR DEGREE, NOT SUBORDINATE.**

DEPARTMENT OF INTERIOR - DEPARTMENTAL MANUAL PART 516 (NEPA):

Chapter 1

Purpose. This Chapter establishes the Department's policies complying with Title 1 of the NEPA

1.2 Policy. It is the policy of the Department:

B. To use all practicable means, consistent with other essential considerations of national policy to improve, coordinate, and direct its polices, plans, functions, programs, and resources in furtherance of national environmental goals;

E. To consult, coordinate, and cooperate with other Federal agencies, and State local and Indian tribal governments in the development and implementation of the Department's plans and programs affecting environmental quality and, in turn, to provide to the fullest extent practicable, these entities with information concerning the environmental impacts of their own plans and programs;

1.5 Consultation, Coordination, and Cooperation with Other Agencies and Organizations.

A. Departmental Plans and Programs.

(1) Officials responsible for planning or implementing Departmental plans and programs will develop and utilize procedures to consult, coordinate and cooperate with relevant State, local and Indian tribal governments;

(2) Bureaus and offices will utilize, to the maximum extent possible, existing notification, coordination and review mechanisms established by the OMB, the Water Resources Council, and CEQ. However, use of these mechanisms must not be a substitute for early and positive consultation, coordination and cooperation with others, especially State, local, and Indian tribal governments.

C. Plans and Programs of Other Agencies and Organizations

(1) Officials responsible for protecting, conserving, developing, or managing resources under the Department's jurisdiction shall coordinate and cooperate with State, Local, and Indian tribal governments, other bureaus and Federal agencies...

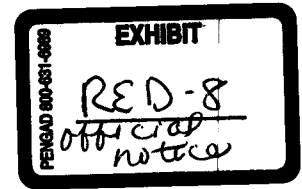
1.7 Mandate

B. The Department hereby adopts the regulations of the CEQ implementing the procedural provisions of NEPA (Sec. 102) except where compliance would be inconsistent with other statutory requirements.

Chapter 2 Initiating the NEPA Process

2.2 Apply NEPA Early (1501.2)

A. Bureaus will initiate early consultation and coordination with other bureaus and any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved, and with appropriate Federal, State, local and Indian tribal agencies authorize to develop and enforce environmental standards.



USDA-NRCS
440 CONSERVATION PROGRAMS MANUAL

Part 500 - Locally Led Conservation

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Subpart A - Locally Led Conservation Defined

500.0 Executive Summary

Locally led conservation consists of a series of phases that involve community stakeholders in natural resource planning, implementation of solutions, and evaluation of results. Locally led conservation begins with the community itself, working through the local conservation district. It is based on the principle that community stakeholders are best suited to deal with local resource problems. Generally, the locally led process will involve the phases listed in figure 500-A1.

Figure 500-A1

Phase	Activity	Further Information
1. Public Involvement and the Conservation Needs Assessment	The conservation district leads the effort to gather public input from a broad range of agencies, organizations, businesses, and individuals in the local area who have an interest in natural resource conditions and needs. These	Section 500.3.

	community stakeholders evaluate natural resource conditions in a conservation needs assessment and establish broad conservation goals to meet those needs.	
2. Conservation Action Plan	The conservation district involves community stakeholders developing and agreeing on a conservation action plan that documents decisions and time schedules, identifies priorities, sets goals, and identifies Government and nongovernment programs to meet those needs. Community stakeholders, under conservation district leadership, identify which Government and nongovernment programs are needed to address specific natural resource concerns. Note: USDA conservation programs are just some of the many programs that can be used to satisfy the community's goals and needs.	Section 500.4.
3. Implementation of the Conservation Action Plan	Community stakeholders, under conservation district leadership, obtain Government and nongovernment program resources and assist in implementing the programs that can satisfy the community's goals and needs, as identified in the action plan.	Section 500.5.
4. Evaluation of the Conservation Action Plan	The effectiveness of plan implementation should be evaluated to ensure that the community stakeholders' planned goals and objectives are achieved. An evaluation should be made to determine where the actual results differ from those anticipated. The difference may result in retracing one or more of the steps in the locally led conservation effort.	Section 500.6.

500.1 Locally Led Conservation Defined

A. Definition of Locally Led Conservation

- (1) Essentially, "locally led conservation" is community stakeholders performing all of the following:
 - (i) Assessing their natural resource conservation needs
 - (ii) Setting community conservation goals
 - (iii) Developing an action plan
 - (iv) Obtaining resources to carry out the plan
 - (v) Implementing solutions
 - (vi) Measuring their success
- (2) These actions have been grouped into four major activities for the purpose of this guidance:
 - (i) Conservation needs assessment
 - (ii) Conservation action plan
 - (iii) Action plan implementation
 - (iv) Evaluation of results

B. The Locally Led Principle

Locally led conservation is based on the principle that community stakeholders are best suited to identify and resolve local natural resource problems. Thus, community stakeholders are keys to successfully managing and protecting their natural resources. It challenges neighbors, both urban and rural, to work together and take responsibility for addressing local resource needs.

C. Definition of the Word "Local"

The word "local" can mean a county, a portion of a county, a watershed, a multicounty region, or whatever geographic area is best suited to address the resource conservation needs identified. Local may also include specific sectors of a county, watershed, region, or community with common resource concerns. This may include but is not limited to groups based on operational type (organic, specialty crop, etc.), groups based on operator type (limited-resource, family-owned farms, retirees, etc.), or groups based on other mutual resource concerns.

D. Primary Focus: Resource Concerns

(1) It is important to keep in mind that locally led conservation must be driven by natural resource conservation needs rather than by programs. Its primary focus should be to identify natural resource concerns, along with related economic and social concerns. Once the natural resource concerns are identified, appropriate Federal, State, local, and nongovernmental program tools can be used, both individually and in combination, to address these resource concerns and attempt to meet the established goals of the community stakeholders.

500.2 Locally Led Leadership and Public Involvement

A. Locally Led Leadership

(1) While there is a wide range of groups that may be in a position to lead a local conservation effort, conservation districts, under State or Tribal law, are charged with facilitating cooperation and agreements between agencies, landowners, and others; developing comprehensive conservation plans; and bringing those plans to the attention of landowners and others in their district. Thus, conservation districts are experienced in assessing resource needs, determining priorities, and coordinating programs to meet those needs and priorities.

(2) Conservation districts are the logical group to coordinate locally led conservation due to their connections to Federal, State, Tribal, and local governments; private resources; and the public. Therefore, further discussion of the locally led effort presumes that districts will provide primary leadership; however, leadership can come from any willing and interested group.

(3) Refer to section 500.10 for the National Association of Conservation Districts (NACD) guidance document, "Locally Led Conservation: An Overview for Conservation Districts."

B. Public Involvement

(1) Input from a broad range of agencies, organizations, businesses, and individuals in the local area that have an interest in natural resource management and are familiar with local resource needs and conditions is an essential element of locally led conservation. These representatives should reflect the diversity of the residents, landowners, and land operators in the local area.

(2) The NACD documents "Locally Led Conservation: An Overview for Conservation Districts" and "Conservation District Board Member Recruitment and Community Outreach Guide" provide suggested guidelines for public outreach efforts and ways to reach out to underserved communities.

C. NRCS Role and Responsibilities

NRCS will support the locally led conservation effort by—

- (i) Providing assistance in identifying conservation needs.
- (ii) Providing technical and program advice to the community stakeholders throughout the effort.
- (iii) Assisting in developing and implementing strategies to include socially and economically disadvantaged groups in the locally led effort.

Note: It is not the responsibility of the designated conservationist to lead the locally led effort. NRCS's task is to support the process and provide technical information upon request.

500.3 The Conservation Needs Assessment

A. Introduction

A conservation needs assessment is the first step and a critical element of locally led conservation. With input and resource data from all interested parties, this assessment should provide a comprehensive evaluation of the condition of the area's natural resource base and will be the platform for making decisions about local priorities and policies for conservation programs delivered at the local level.

B. Definition of a Conservation Needs Assessment

(1) The conservation needs assessment is a comprehensive analysis of the work that needs to be done to achieve broad conservation goals set by community stakeholders and to solve natural resource problems. This assessment should be based on public input and science-based information. It should include a detailed analysis of natural resource concerns within the area. To ensure versatility in all program areas, it is important that this needs assessment be resource-based, not program-based.

(2) The conservation action plan that results from the conservation needs assessment will identify the tools that can be used to satisfy the needs.

C. Purpose of the Conservation Needs Assessment

(1) The purpose of the conservation needs assessment is to ensure that conservation efforts address the most important local resource needs. The assessment will be the basis for selecting the type and extent of needed conservation systems and practices. It will also be the basis for making recommendations on funding priorities and priority areas to be addressed by the various conservation programs available.

(2) The conservation needs assessment is the foundation for carrying out Federal programs such as the USDA Environmental Quality Incentives Program (EQIP). From a resource concern identification standpoint, this conservation needs assessment may also be used to assist localities in implementing the Clean Water Act, the Safe Drinking Water Act, the Endangered Species Act, as well as many State, Tribal, and local programs that provide assistance to private land owners and managers.

D. NRCS Roles and Responsibilities

(1) The NRCS designated conservationist will support, where requested, the development of the conservation needs assessment by—

- (i) Providing assistance in assembling natural resource inventories and data.
- (ii) Assisting in analyzing the data and other information.
- (iii) Providing information on socioeconomic factors involved in determining the conservation needs.

(2) For specific guidance on resource assessment, consult steps one through four of the areawide planning process in the National Planning Procedures Handbook (NPPH).

500.4 The Conservation Action Plan

A. Introduction and Identification of Leadership

Using the conservation needs assessment, the conservation district involves community stakeholders to develop and agree on an action plan, generally referred to as a "conservation action plan."

B. The Conservation Action Plan

This plan will—

- (i) Identify natural resource conservation priorities.
- (ii) Set measurable conservation goals and objectives.
- (iii) Identify conservation technology needed to achieve these goals and objectives.
- (iv) Identify responsibility for action and create a time schedule for completion of elements.
- (v) Identify Federal, State, Tribal, local, and nongovernment programs and services needed to address specific conservation needs.
- (vi) Identify a need to develop new programs or processes to address those problems not covered by existing programs.

C. NRCS Roles and Responsibilities

(1) The NRCS designated conservationist will support the development of the conservation action plan by—

- (i) Providing overall planning assistance.
- (ii) Identifying non-USDA programs that may be of assistance.
- (iii) Explaining appropriate USDA conservation programs and services.

(2) For specific guidance on planning assistance, consult steps five through seven of the areawide planning process in the NPPH.

500.5 Implementing the Conservation Action Plan

A. Introduction

- (1) Implementation of the conservation action plan means that the community stakeholders, with the leadership of the conservation district, obtain the needed programs and services to address the problems identified by their conservation needs assessment.
- (2) In this step, they coordinate existing assistance, available through private organizations, Federal, State, Tribal, and local agencies, including USDA; ensure that appropriate program application processes are followed; develop detailed proposals for new programs; and seek financial, educational, and technical assistance as necessary.

B. NRCS Roles and Responsibilities

- (1) The NRCS designated conservationist will support the implementation of the conservation action plan by—
 - (i) Explaining, interpreting, and clarifying USDA rules, regulations, and procedures.
 - (ii) Providing input on other potential sources of assistance from Federal, State, Tribal, and local government or private sources.
 - (iii) Implementing designated roles and responsibilities as defined in Part 502, "USDA Conservation Program Delivery."
- (2) For specific guidance, see step eight of the areawide planning process in the NPPH.

500.6 Evaluating Results

A. Introduction

Locally led conservation does not end when the conservation action plan has been implemented. The effectiveness of plan implementation should be evaluated to ensure that the community stakeholders' planned goals and objectives are achieved. An evaluation should be made to determine where the actual results differ from those anticipated. This difference may result in retracing one or more of the steps in the locally led conservation effort.

B. NRCS Roles and Responsibilities

- (1) The NRCS designated conservationist will support the conservation district and the community stakeholders in evaluating the results of their locally led conservation efforts by—
 - (i) Assisting in the evaluation process.
 - (ii) Providing updated natural resources information and assessments.
 - (iii) Keeping them aware of changes in the USDA programs and the program delivery process.
 - (iv) Assisting in interpreting the impact of conservation action plan implementation on the condition of the natural resources.
- (2) Refer to step nine of the areawide planning process in the NPPH for specific guidance.

Part 501 - USDA Conservation Program Delivery

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- 501.20 Purpose
- 501.21 Responsibilities of State Technical Committees
- 501.22 State Technical Committee Membership
- 501.23 Responsibilities of the State Conservationist
- 501.24 Specialized Subcommittees of State Technical Committees
- 501.25 Standard Operating Procedures for State Technical Committees

Subpart A – USDA Conservation Program Delivery

501.0 Introduction

A. The products of the locally led process specified in Title 440, Conservation Programs Manual, Part 500 provide USDA with conservation needs, resource concerns, priorities, and recommendations regarding program administration and implementation. USDA seeks input from State Technical Committees and local working groups on State and local conservation program delivery.

B. Although State Technical Committees and local working groups are advisory in nature and have no implementation or enforcement authority, USDA gives strong consideration to their recommendations.

C. Each State Technical Committee and local working group may provide information, analysis, and recommendations for the following activities and programs, as needed and where applicable:

- (1) Agricultural Water Enhancement Program
- (2) Chesapeake Bay Watershed Program
- (3) Conservation compliance
- (4) Conservation Innovation Grants
- (5) Conservation Reserve Program
- (6) Conservation Security Program
- (7) Conservation Stewardship Program
- (8) Conservation of private grazing land
- (9) Cooperative Conservation Partnership Initiative
- (10) Environmental Quality Incentives Program
- (11) Farm and Ranch Lands Protection Program
- (12) Grassland Reserve Program
- (13) Grassroots Source Water Protection Program
- (14) Grazing Lands Conservation Initiative
- (15) Great Lakes Basin Program
- (16) Technical service providers
- (17) Voluntary Public Access and Habitat Incentive Program
- (18) Wetlands Reserve Program
- (19) Wildlife Habitat Incentive Program
- (20) Other programs and issues as requested by the State Conservationist or other USDA agency heads at the State level

D. According to 16 U.S.C. Section 3862(d), these State Technical Committees and local working groups are exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2).

501.1 Conservation Program Delivery Process

- A. The conservation needs assessment and the conservation action plan developed during the locally led conservation effort form the basis for collaboration in carrying out the community stakeholder's priorities and identified programs, including USDA's conservation programs.
- B. When community stakeholders, working through conservation districts, have identified USDA programs as a tool to meet their conservation needs, USDA personnel and others, in the form of a USDA local working group, will review and submit recommendations on local and State conservation program delivery priorities and criteria. Examples of recommendations that may be submitted are found in Figure 501-A1.

Figure 501-A1

Examples of Local Working Groups Recommendations Submitted to the Local Designated Conservationist	Examples of Local Working Group Recommendations Submitted to the State Technical Committee
Locally identified natural resource concerns, priorities, and opportunities	State or regional identified natural resource concerns, priorities, and opportunities
Local conservation program priorities	State or regional conservation program priorities
Local program application screening and ranking criteria	State and national program policy changes
Local conservation practices offered in specific programs to address locally identified resource concerns (conservation practices must be included in the Field Office Technical Guide)	Revision or new interim conservation practices in the Field Office Technical Guide
Program payment percentages documented in practice payment schedules and/or maximum payment on conservation practices	Program payment percentages documented in practice payment schedules and maximum payment on conservation practices
	Levels of financial and technical support from available programs needed to address identified resource concerns
	Need for special initiatives focusing on priority resource concerns or areas

- C. Recommendations for local program delivery should be submitted to the local designated conservationist. The local designated conservationist considers the recommendations from the local working group, along with technical expertise and national and State program policies, to develop the local NRCS conservation program available in the assigned geographic area.
- D. Recommendation for State program delivery should be submitted to the State Technical Committee. The State Technical Committee considers the recommendations from the local working group to develop State conservation priorities and program delivery recommendations to the State Conservationist.
- E. The State Conservationist considers the recommendations from the State Technical Committee, along with technical expertise and national program policies, to develop the NRCS conservation program available in the State.

Subpart B - Local Working Groups

501.10 Purpose

In accordance with 7 CFR Part 610, Subpart C, local working groups are subcommittees of the State Technical Committee and provide recommendations to USDA on local and state natural resource priorities and criteria for conservation activities and programs.

501.11 Responsibilities of the Local Working Group

It is the responsibility of the local working group to -

- (1) Ensure that a conservation needs assessment is developed using community stakeholder input.
- (2) Utilize the conservation needs assessment to help identify program funding needs and conservation practices.
- (3) Identify priority resource concerns and identify, as appropriate, high-priority areas needing assistance.
- (4) Recommend USDA conservation program application and funding criteria, eligible practices (including limits on practice payments or units), and payment rates.
- (5) Participate in multicounty coordination where program funding and priority area proposals cross county boundaries.
- (6) Assist NRCS and the conservation district with public outreach and information efforts and identify educational and producers' training needs.
- (7) Recommend State and national program policy to the State Technical Committee based on resource data.
- (8) Utilize the conservation needs assessment to identify priority resource concerns that can be addressed by USDA programs.
- (9) Forward recommendations to the NRCS designated conservationist or Farm Service Agency (FSA) County Executive Director, as appropriate.
- (10) Adhere to standard operating procedures identified in Title 440, Conservation Programs Manual (CPM), Part 501, Subpart B, Section 501.14.

501.12 Local Working Group Membership

A. Local working group membership should be diverse and focus on agricultural interests and natural resource issues existing in the local community. Membership should include agricultural producers representing the variety of crops, livestock, and poultry raised within the local area; owners of nonindustrial private forest land, as appropriate; representatives of agricultural and environmental organizations; and representatives of governmental agencies carrying out agricultural and natural resource conservation programs and activities.

B. Membership of the USDA local working group may include but is not limited to Federal, State, county, Tribal, or local government representatives. Examples of potential members include—

- (1) NRCS designated conservationist.
- (2) Members of conservation district boards or equivalent.
- (3) Members of the county FSA committee.
- (4) FSA county executive director or designee.
- (5) Cooperative extension (board members or manager).
- (6) State or local elected or appointed officials.
- (7) Other Federal and State government representatives.
- (8) Representatives of American Indian and Alaskan Native governments.

C. To ensure that recommendations of the local working group take into account the needs of diverse groups served by USDA, membership must include, to the extent practicable, individuals with demonstrated ability to represent the conservation and related technical concerns of particular historically underserved groups and individuals including but not limited to women, persons with disabilities, socially disadvantaged and limited resource groups.

D. Individuals or groups wanting to become members of a local working group may submit a request that explains their interest and outlines their credentials for becoming a member of the local working group to the

local working group chairperson and the NRCS district conservationist (or designated conservationist). The district conservationist (or designated conservationist) will assist the soil and water conservation district in making decisions concerning membership of the group.

501.13 Responsibilities of Conservation Districts and NRCS

A. Conservation District

It is the responsibility of the conservation district to—

- (i) Develop the conservation needs assessment as outlined in 440-CPM, Part 500, Subpart A.
- (ii) Assemble the USDA local working group.
- (iii) Set the agenda.
- (iv) Conduct the USDA local working group meetings.
- (v) Transmit the USDA local working group's priority area and funding requests to the NRCS designated conservationist or the State Technical Committee, as appropriate.

Note: Where a conservation district is not present or chooses not to fulfill the responsibilities outlined in 440-CPM, Part 501, Subpart A, Section 501.13, the NRCS designated conservationist will have these responsibilities.

B. NRCS Designated Conservationist

It is the NRCS designated conservationist's responsibility to participate in the USDA local working group and to—

- (i) Encourage and assist other USDA agencies to participate in the locally led conservation and working group efforts, as feasible.
- (ii) Assist with identifying members for the local working group.
- (iii) Help identify program priorities and resources available.
- (iv) Assist in the development of program priority area proposals.
- (v) Comply with the National Environmental Policy Act, nondiscrimination statement, and other environmental, civil rights, and cultural resource requirements.
- (vi) Support and advise the local working group concerning technical issues, program policies and procedures, and other matters relating to conservation program delivery.
- (vii) Ensure that populations are—
 - Provided the opportunity to comment before decisions are rendered.
 - Allowed to share the benefits of, not excluded from, and not affected in a disproportionately high and adverse manner by Government programs and activities affecting human health or the environment.
- (viii) Analyze performance indicators and reports.
- (ix) Report the conservation programs' impacts on resources.
- (x) Perform the responsibilities of the conservation district where a conservation district is not present or chooses not to fulfill the responsibilities outlined in 440-CPM, Part 501, Subpart A, Section 501.6A.
- (xi) Give strong consideration to the local working group's recommendations on NRCS programs, initiatives, and activities.
- (xii) Ensure that recommendations, when adopted, address natural resource concerns.

501.14 Standard Operating Procedures for Local Working Groups

A. Organization and Function

Local working groups provide recommendations on local natural resource priorities and criteria for USDA conservation activities and programs. Local working groups are normally chaired by the appropriate soil and water conservation district (SWCD). In the event the SWCD is unable or unwilling to chair the local working group, NRCS district conservationist (or designated conservationist) is responsible for those duties.

B. Meeting Scheduling

The local working group should meet at least once each year at a time and place designated by the chairperson, unless otherwise agreed to by the members of the local working group. Other meetings may be held at the discretion of the chairperson. Meetings will be called by the chairperson whenever there is business that should be brought before the local working group.

C. Public Notification

- (1) Local working group meetings are open to the public and notification must be published in one or more newspapers, including recommended Tribal publications, to attain the appropriate circulation.
- (2) Public notice of local working group meetings should be provided at least 14 calendar days prior to the meeting. Notification will need to exceed the 14-calendar-day minimum where State open meeting laws require a longer notification period. The minimum 14-calendar-day notice requirement may be waived in the case of exceptional conditions, as determined by the chairperson or NRCS district conservationist (or designated conservationist).
- (3) The public notice of local working group meetings will include the time, place, and agenda items for the meeting.

D. Meeting Information

Agendas and information must be provided to the local working group members at least 14 calendar days prior to the scheduled meeting. The district conservationist (or designated conservationist) will assist the local working group chairperson, as requested, in preparing meeting agendas and necessary background information for meetings. The minimum 14-calendar-day notice requirement may be waived in the case of exceptional conditions, as determined by the chairperson or NRCS district conservationist (or designated conservationist).

E. Public Participation

Individuals attending the local working group meetings will be given the opportunity to address the local working group. Opportunity to address nonagenda items will be provided if time allows at the end of the meeting. Presenters are encouraged to provide written records of their comments to the chairperson at the time of the presentation, but are not required to do so. Written comments may be accepted if provided to the chairperson no later than 14 calendar days after a meeting.

F. Conducting Business

- (1) The meetings will be conducted as an open discussion among members. Discussion will focus on identifying local natural resource concerns that can be treated using programs and activities identified in 440-CPM, Part 501, Subpart A, Section 501.0C. All recommendations will be considered.
- (2) The following guidelines will govern meeting discussions:
 - (i) The chairperson will lead the discussion.
 - (ii) Only one person may speak at a time. Every participant should have an opportunity to speak. The chairperson or his or her designee is responsible for recognizing speakers.
 - (iii) The chairperson, in consultation with those members present, may establish time limits for discussion on individual agenda items.
 - (iv) State Technical Committees are advisory in nature and all recommendations are considered.
 - (v) Members may be polled, but voting on issues is not appropriate.
 - (vi) The chairperson will defer those agenda items not covered because of time limits to the next meeting.

G. Record of Meetings

Summaries for all local working group meetings will be available within 30 calendar days of the meeting and will be filed at the appropriate local NRCS office.

H. Input to State Technical Committee

Local working group recommendations are to be submitted to State Technical Committee chairperson, the district conservationist (or designated conservationist), or both (as appropriate) within 14 calendar days after a meeting.

I. Response to Local Working Group Recommendations

The designated conservationist will inform the local working group as to the decisions made in response to all local working group recommendations within 90 days. This notification will be made in writing to all local working groups members and made available for the public at the appropriate local NRCS office.

Subpart C - State Technical Committees

501.20 Purpose

In accordance with 7 CFR Part 610, Subpart C, NRCS has established a technical committee in each State to assist in making recommendations relating to the implementation and technical aspects of natural resource conservation activities and programs.

501.21 Responsibilities of State Technical Committees

It is the responsibility of the State Technical Committee to –

- (1) Provide information, analysis, and recommendations to USDA on conservation priorities and criteria for natural resources conservation activities and programs, including application and funding criteria, recommended practices, and program payment percentages.
- (2) Identify emerging natural resource concerns and program needs.
- (3) Recommend conservation practice standards and specifications.
- (4) Recommend State and national program policy based on resource data.
- (5) Review activities of the local working groups to ensure State priorities are being addressed locally.
- (6) Make recommendations to the State Conservationist on requests and recommendations from local working groups.
- (7) Assist NRCS with public outreach and information efforts and identify educational and producers' training needs.

501.22 State Technical Committee Membership

A. Each State Technical Committee will be composed of agricultural producers, owners and operators of nonindustrial private forest land, and other professionals who represent a variety of interests and disciplines in the soil, water, wetlands, plant, and wildlife sciences.

B. Each State Technical Committee must include representatives from all of the following:

- (1) NRCS
- (2) Farm Service Agency (FSA)
- (3) FSA State Committee
- (4) U.S. Forest Service
- (5) National Institute of Food and Agriculture (formerly the Cooperative State Research Education and Extension Service)
- (6) Each of the federally recognized American Indian Tribal governments and Alaskan Native Corporations encompassing 100,000 acres or more in the State
- (7) Association of Soil and Water Conservation Districts
- (8) State departments and agencies within the State, including the following:
 - (i) Agricultural agency
 - (ii) Fish and wildlife agency
 - (iii) Forestry agency
 - (iv) Soil and water conservation agency
 - (v) Water resources agency
- (9) Agricultural producers representing the variety of crops and livestock or poultry raised within the State
- (10) Owners of nonindustrial private forest land
- (11) Nonprofit organizations (as defined under section 501(c)(3) of the Internal Revenue Code of 1986) that demonstrate conservation expertise and experience working with agricultural producers in the State
- (12) Agribusiness
- (13) Other Federal agencies and persons knowledgeable about economic and environmental impacts of conservation techniques and programs as determined by the State Conservationist.

C. To ensure that recommendations of the State Technical Committee take into account the needs of diverse groups served by USDA, membership will include, to the extent practicable, individuals with demonstrated ability to represent the conservation and related technical concerns of particular historically underserved groups and individuals including but not limited to women, persons with disabilities, and socially disadvantaged and limited-resource groups.

D. Individuals or groups wanting to become members of a State Technical Committee within a specific State may submit a request that explains their interest and outlines their credentials for becoming a member to the State Conservationist. The State Conservationist will respond to requests for State Technical Committee membership in writing within a reasonable period of time, not to exceed 60 days. Decisions of the State Conservationist concerning membership on the committee are final and not appealable. State Technical Committee membership will be posted on the NRCS State Web site.

501.23 Responsibilities of the State Conservationist

The State Conservationist will—

- (1) Chair the committee.
- (2) Ensure representation of all interests, to the extent practicable.
- (3) Give strong consideration to the committee's advice on NRCS programs, initiatives, and activities.
- (4) Call and provide notice of public meetings.
- (5) Follow the standard operating procedures.
- (6) Provide other USDA agencies with recommendations from the State Technical Committee for programs under their purview.
- (7) Ensure that recommendations, when adopted, address natural resource concerns.
- (8) Extend membership to any agency or persons knowledgeable about economic and environmental impacts of conservation techniques and programs.
- (9) Respond to requests for membership as outlined in Title 440, Conservation Programs Manual (CPM), Part 501, Subpart C, Section 501.22D.

501.24 Specialized Subcommittees of State Technical Committees

A. Introduction

In some situations, specialized subcommittees composed of State Technical Committee members may be needed to analyze and refine specific issues. The State Conservationist may assemble certain committee members, including members of local working groups and other experts to discuss, examine, and focus on a particular technical or programmatic topic, or combination of such.

B. Public Involvement

Specialized subcommittees are open to the public and may seek public participation, but they are not required to do so. Recommendations of specialized subcommittees will be presented in general sessions of State Technical Committees, where the public is notified and invited to attend.

C. Examples of Specialized Subcommittees

Figure 501-C1 provides examples of specialized subcommittees.
Figure 501-C1

Examples of Specialized Subcommittees	Program or Topic	Task
Environmental Quality Incentives Program Ranking Criteria Subcommittee	Environmental Quality Incentives Program	Provide input to develop State ranking criteria and make recommendations to the State Technical Committee.
State Forestry Subcommittee	All programs	Provide recommendations to the State Technical Committee on forestry conservation practices and payment rates to be supported in conservation programs.
Conservation Easement Geographic Rate Subcommittee	Wetlands Reserve Program and Grassland Reserve Program	Develop recommendations for the geographic area rate cap and present it to the State Technical Committee.

Payment Schedule Subcommittee	Financial assistance programs	Provide recommendations for practices and program payment percentages for conservation programs that support program objectives and State and local priorities.
State Wildlife Subcommittee	Wildlife Habitat Incentive Program (WHIP)	Provide recommendations (to the State Technical Committee) for the State WHIP plan that incorporates priorities of the State comprehensive wildlife action plan and similar plans and initiatives.
Priority Watershed Subcommittee	Chesapeake Bay Watershed Program	Recommend priority watersheds for focusing funding for effective use of available resources.

501.25 Standard Operating Procedures for State Technical Committees

A. Organization and Function

The State Conservationist chairs the State Technical Committee. State Technical Committees are used to provide information, analysis, and recommendations to NRCS and other USDA agencies responsible for natural resource conservation activities and programs under title XII of the Food and Security Act of 1985, as amended.

B. Meeting Scheduling

The State Technical Committee should meet at least twice a year at a time and place designated by the State Conservationist. Other meetings may be held at the discretion of the State Conservationist. The State Conservationist will call a meeting whenever he or she believes that there is business that should be brought before the committee for action. However, any USDA agency may make a request of the State Conservationist for a meeting.

C. Public Notification

- (1) State Technical Committee and subcommittee meetings are open to the public. The State Conservationist must provide public notice of and allow public attendance at all State Technical Committee meetings.
- (2) The State Conservationist must publish a meeting notice at least 14 calendar days prior to the meeting. Notification may exceed the 14-calendar-day minimum where State open meeting laws exist and require a longer notification period. The minimum 14-calendar-day notice requirement may be waived in the case of exceptional conditions, as determined by the State Conservationist.
- (3) The State Conservationist will publish this meeting notice in one or more widely available newspapers, including recommended Tribal publications, to achieve statewide and Tribal notification. The meeting notice will also be posted to the NRCS State Web site.
- (4) The meeting notice will include meeting time, location, agenda items, and point of contact.

D. Meeting Information

- (1) The State Conservationist must prepare a meeting agenda and provide it to the committee members at least 14 calendar days prior to a scheduled meeting. Additional background materials may be provided before the meeting at the discretion of the State Conservationist. The minimum 14-calendar-day requirement may be waived in the case of exceptional conditions, as determined by the State Conservationist. Additional agenda items will be considered if submitted in writing to the State Conservationist at least 5 working days prior to the meeting.
- (2) The State Conservationist may amend the agenda prior to the meeting without notice to the State Technical Committee or at the meeting based on suggestions from participating members. The agenda will be posted to the NRCS State Web site.

E. Public Participation

- (1) Individuals attending State Technical Committee meetings will be given the opportunity to address the committee and present their opinions and recommendations. While presenters are encouraged to provide written copies of their comments, they are not required to do so. State Conservationists are encouraged to request written comments on agenda items from all members of the State Technical Committee whether they are in attendance at the meeting or not.
- (2) Subsequent to the meeting, if the State Conservationist determines that additional comments and recommendations are needed on specific topics, the State Conservationist will mail a request for written comments to all members of the State Technical Committee within 7 calendar days of the meeting. The letter will fully explain the nature of the request for information and provide at least 14 calendar days for a response.
- (3) Comments received will be summarized and presented at the next State Technical Committee meeting and will be directly posted on the NRCS State Web site.
- (4) If time allows, opportunity to discuss nonagenda items will be provided at the end of the meeting.

F. Conducting Business

- (1) The meetings will be conducted as an open discussion among members. Discussion will focus on the programs and activities identified in 440-CPM, Part 501, Subpart A, Section 501.0C. All recommendations will be considered.
- (2) The following guidelines will govern meeting discussions:
 - (i) The State Conservationist or his or her designee will lead the discussion.
 - (ii) Only one person may speak at a time. Every participant should have an opportunity to speak.
 - (iii) The State Conservationist or his or her designee is responsible for recognizing speakers.
 - (iv) State Technical Committees are advisory in nature and all recommendations are considered.
 - (v) Members may be polled, but voting on issues is not appropriate.
 - (vi) The State Conservationist, in consultation with those members present, may establish time limits for discussion on individual agenda items.
 - (vii) The State Conservationist will defer those agenda items not covered because of time limits to the next meeting.

G. Record of Meetings

Summaries for all State Technical Committee meetings must be available within 30 calendar days of the committee meeting and distributed to committee members. The summaries must be filed at the appropriate NRCS State office and posted to the NRCS State Web site.

H. Response to State Technical Committee Recommendations

The State Conservationist must inform the State Technical Committee as to the decisions made in response to all State Technical Committee recommendations within 90 days. This notification must be made in writing to all State Technical Committee members and posted to the NRCS State Web site.

Redington NRCD

Docket Number L-00000YY-15-0318-00171



Redington
Natural
Resource
Conservation
District

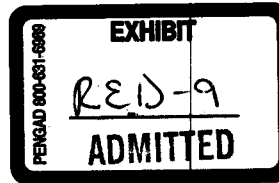


Exhibit RED 9

P.O. Box 585
San Manuel, AZ 85631

Application for Assistance and Conservation Agreement between _____

whose land is located in Section _____; Township _____; Range _____; and the Supervisors of the Redington Natural Resource Conservation District (NRCD). Number of acres of cultivated

land _____; number of acres of rangeland _____; number of acres other land _____

Remarks or description of property

Conservation Agreement

We, The District Supervisors, agree to assist you with your conservation planning according to the rules and within the resources of the District.

I, as cooperator, am eligible to receive the assistance of conservation technicians in planning and applying the needed conservation practices on my land. I request assistance from the District. I accept the District objectives and will use the analysis prepared jointly by me and the District as a guide in the application and maintenance of a complete conservation program on my land. My conservation plan will include using my land according to its capabilities.

This agreement will remain in effect for a period of five years and will be automatically renewed on December 31 of each year thereafter. It may be terminated at any time by mutual consent, by me, or the District on 60 days written notice to the other party. A change of ownership of the property automatically cancels the agreement.

Cooperator

Address

Telephone Number

Signature

Date

e-mail address

Cooperator

Address

Telephone Number

Signature

Date

e-mail address

Land Manager (if other than cooperator)

Address

Telephone Number

What is the Redington Natural Resource Conservation District (NRCD)?

The Redington Natural Resource Conservation District is one of 39 Natural Resource Conservation Districts (NRCDs) in Arizona. NRCDs are independent subdivisions of State government, organized under State Law and administered by the State Land Department.

Thy NRCD is a form of self-government whose purpose is to promote, coordinate and carry out activities that conserve soil, water and other natural resources. It is governed by five supervisors (local landowners), three elected by the cooperators, and two appointed by the State Land Commissioner, who serve without pay. The District Board of Supervisors has the responsibility of determining the natural resource conservation needs, and for developing and coordinating an annual plan of operations, and a long-range program addressing those needs. Membership of the District is comprised of landowners who sign up as cooperators. Participation is strictly voluntary.

The Natural Resources Conservation Service (part of the USDA) provides technical assistance in planning and carrying out conservation practices on private and State Trust Land. The District also cooperates with other public and private entities: such as county governments, Arizona Game and Fish Dept., U.S. Forest Service, State Land Department, Bureau of Land Management, The Nature Conservancy, and the University of Arizona.

Sign-up contribution \$15.00

A "one-time", tax deductible contribution of **\$15.00** for farms and rangeland of any size, is requested with this application. Make checks payable to: Redington NRCD, and mail to Post Office Box 585 San Manuel, AZ 85631 .

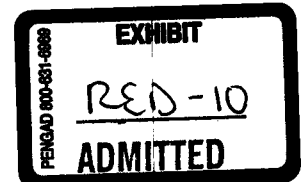
None of the monies paid to the NRCD are to be construed as compensation for services received from any Federal, state, or local government employees, and that contributions cannot be accepted by any of these employees in our behalf Furthermore, these contributions are not a condition to the receiving of personnel services, materials, or cost -sharing assistance from the Federal Government.

This agreement is signed on this day, _____ , at the Redington NRCD meeting by : District representative signature	_____ Title
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**MEMORANDUM OF UNDERSTANDING
FOR COORDINATED RESOURCE MANAGEMENT IN ARIZONA**

AMONG

**BUREAU OF LAND MANAGEMENT (BLM)
FOREST SERVICE (USFS)
COOPERATIVE EXTENSION (CE)
FARM SERVICE AGENCY (FSA)
BUREAU OF INDIAN AFFAIRS (BIA)
NATURAL RESOURCES CONSERVATION SERVICE (NRCS)
ENVIRONMENTAL PROTECTION AGENCY (EPA)
FISH AND WILDLIFE SERVICE (USFWS)
BUREAU OF RECLAMATION (BOR)
DEPARTMENT OF DEFENSE (DOD)
NATIONAL PARK SERVICE (NPS)
U.S. GEOLOGICAL SURVEY (USGS)
AGRICULTURAL RESEARCH SERVICE (ARS)
ARIZONA STATE LAND DEPARTMENT (SLD)
ARIZONA GAME AND FISH DEPARTMENT (AGFD)
ARIZONA ASSOCIATION OF CONSERVATION DISTRICTS (AACD)
ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ)
ARIZONA DEPARTMENT OF WATER RESOURCES (ADWR)
ARIZONA DEPARTMENT OF AGRICULTURE (ADA)
ARIZONA STATE PARKS (ASP)**



A. PURPOSE

This Arizona Memorandum of Understanding for Coordinated Resource Management provides the mechanism for private land owners, Native American Tribes, land users, Conservation Districts and state and federal resource management agencies and their cooperators, permittees and leasees to develop coordinated resource management plans for farms, ranches, wildlife habitat, watersheds, or similar resource management units. It also provides the mechanism for agencies with resource management responsibilities in Arizona to work together, share resource information, and develop complimentary policies, procedures, and methodologies where possible. It is intended to foster cooperation and coordination in development and implementation of sound resource management and conservation programs where objectives are of mutual concern.

This Memorandum of Understanding is intended to supplement existing Memorandum of Understanding between and among agencies, tribes, conservation districts, and local governments for coordination of resource management in Arizona.

This Memorandum of Understanding supersedes the February 1991 Arizona Supplemental Memorandum of Understanding for coordinated resource management between the Bureau of Land Management, US Forest Service, Arizona Cooperative Extension, Soil Conservation Service, Arizona State Land Department, Arizona Game and Fish Department, and the Arizona Association of Conservation Districts.

B.

ROLES AND RESPONSIBILITIES

1. The Bureau of Land Management administers public lands within a framework of numerous laws. It is the mission of the Bureau of Land Management to sustain the health, diversity and productivity of the public lands for the use and enjoyment of present and future generations.
2. The U.S. Department of Agriculture Forest Service manages public lands in national forests and grasslands. The Forest Service also conducts forestry research, and provides technical and financial assistance to state and private forestry agencies.
3. The Cooperative Extension Service works to enhance agriculture, the environment, the natural resource base, family and youth well-being and the development of local communities. They accomplish this mission by the integration, dissemination, and application of knowledge in agricultural and life sciences.
4. The Natural Resources Conservation Service is a federal agency that works in partnership with the American people to conserve natural resources on private lands, and other non-federal lands, through scientific and technical expertise, and partnerships with Conservation Districts and others.
5. The Farm Service Agency mission is to stabilize farm income, help farmers conserve land and water resources, provide credit to new or disadvantaged farmers and ranchers, and help farm operations recover from the effects of disaster.
6. The US Fish and Wildlife Service is responsible for migratory birds, endangered species, freshwater and anadromous fish, the National Wildlife Refuge System, wetlands, conserving habitat, and environmental contaminants.
7. The Bureau of Indian Affairs has a trust responsibility emanating from treaties and other agreements with federally recognized Indian tribes to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of Indian tribes.
8. The Environmental Protection Agency mission is to protect human health and to safeguard the natural environment. Their purpose is to ensure clean air, clean water, safe food, pollution prevention, and better waste management.
9. The Bureau of Reclamation manages water related resources west of the Mississippi River. Their mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.
10. The National Park Service promotes and regulates the use of the national parks, whose purpose is to conserve the scenery and the natural and historic objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations.
11. The Department of Defense mission is to support the military readiness of the United States armed forces, improve the quality of life for military personnel, and comply with environmental laws to protect human health and the environment.
12. The US Geological Survey provides the Nation with reliable, impartial information to describe and understand the earth, to minimize loss of life and

property, manage water, biological, energy, and mineral resources, enhance and protect the quality of life, and contribute to wise economic and physical development.

13. The Agricultural Research Service is the research arm of the United States Department of Agriculture. The Service provides access to agricultural information and develops new knowledge and technology needed to solve technical agricultural problems of broad scope and high national priority to ensure adequate availability of high quality, safe food, a viable and a competitive food and agricultural economy.
14. The Arizona State Land Department is responsible for administering the use and management of Arizona's State Trust lands and for coordinating the Natural Resource Conservation District program in Arizona.
15. The Arizona Game and Fish Department, acting pursuant to and under the authority of the Arizona game and Fish Commission, is responsible for the use and management of Arizona's wildlife resources. The mission of the AGFD is to conserve, enhance and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs, and to provide wildlife resources and safe water craft recreation for the enjoyment, appreciation and use of present and future generations.
16. The Arizona Association of Conservation Districts represents the Conservation Districts in Arizona, which are legal subdivisions of State or Tribal government. Conservation Districts provide locally led leadership and assist agencies in determining priorities for conservation work.
17. The Arizona Department of Environmental Quality mission is preserving, protecting and enhancing Arizona's environment, as well as safeguarding the public health. ADEQ is responsible for air quality, water quality, and waste management in Arizona.
18. The Arizona Department of Water Resources administers state water laws (except those related to water quality), explores methods of augmenting water supplies to meet future demands, and develops policies that promote conservation and equitable distribution of water. The Department also oversees the use of surface and groundwater resources in Arizona. Other responsibilities include management of flood plains and non-federal dams to reduce loss of life and damage to property.
19. The Arizona Department of Agriculture is responsible for controlling dangerous plant infestations, ensuring the quality of fresh fruits and vegetables, and for protecting Arizona's native plants. The Department is also responsible for protecting the public from contagious and infectious diseases in animals. The Department enforces laws concerning the movement, sale, importation, transport, slaughter, and theft of livestock, and administers feed, fertilizer, and pesticide registration, licensing and compliance.
20. Arizona State Parks manages and conserves Arizona's natural, cultural and recreational resources for the benefit of the people in Arizona's parks, and through cooperation with their partners.

C. OBJECTIVES

1. To recognize that the lands and natural resources administered by the participants of this agreement are part of larger ecosystems that cross administrative and ownership lines.
2. To recognize that effective management of Arizona's lands, natural resources and ecosystems requires cooperation between many federal and state agencies, Conservation Districts, Native American Tribes, local governments, private land owners, and land users.
3. To acknowledge the significance of local objectives and resource concerns in the management and use of resources.
4. To promote coordinated resource management planning where land ownership, resource management responsibilities, and technical assistance responsibilities are intermingled or where coordination is essential to develop and implement a sound resource management plan.
5. To recognize that land owners, land users or agencies are entitled to request that agencies work together on resource planning and management where land ownership, resource management responsibilities, and technical assistance responsibilities overlap.
6. To encourage coordinated collection and use of resource information and monitoring data for making scientifically based resource management decisions, and to promote complimentary policies, procedures, and methodologies where possible.
7. To insure that consultation between agencies and land owners occurs before decisions are made which may affect the use and management of other lands and resources.
8. To provide for a framework for communication and scheduling of coordinated resource management planning, implementation, and monitoring activities on a case-by-case basis, and for a periodic review of planning progress and updating of coordinated resource management plans to insure goals and objectives are being met.

D. SCOPE

1. This Memorandum of Understanding provides the mechanism for agencies, landowners, and land users in Arizona to develop coordinated resource management plans. It also provides the mechanism for resource management agencies in Arizona to work together, share resource information, and develop complimentary policies, procedures, and methodologies where possible.
2. Coordinated resource management plans are developed on a case by case basis by appropriate members of local working groups, and are signed by the participants to document agreement on common goals and objectives for use and management of the resources within a management unit. Coordinated resource management plans represent agreement on a plan of action to achieve common goals and objectives for a specific management unit, and agreement on methods that will be used to evaluate progress toward the goals and objectives.

3. Coordinated resource management plans do not hinder agencies, private land owners, or land users from making necessary decisions to protect the lands or resources they own or administer or to comply with local, state, or federal laws or agency policy. Rather, coordinated resource management plans constitute a mutual agreement on a plan of action, and a willingness of agencies to consult, whenever possible, with all involved participants before making decisions, to insure that all resource and human concerns are adequately considered before decisions are made.

E. COORDINATED PLANNING GROUPS

The following groups are established to implement coordinated resource management in Arizona:

1. EXECUTIVE GROUP

- a. The Executive Group is made up of the state or regional executives of the participating agencies to this agreement, who are responsible for administering the resource management activities for their agency in Arizona.
- b. The Executive Group is responsible for insuring that cooperation among agencies and other groups exists for the benefit Arizona's natural resources. They are responsible for directing personnel at all levels of the organizations to be knowledgeable of, and adhere to the purpose, objectives, and scope of this agreement. They will develop, review and adopt uniform policy and procedures and supplemental agreements for coordination and cooperation in Arizona.

2. STATE TASK GROUP

- a. The State Task Group is an extension of the Executive Group. Membership of the Task Group will include state or regional level resource specialists appointed by the Executive Group. The State Task Group will meet at least annually, and other times during the year as appropriate.
- b. The purpose of the State Task Group is to assist the Executive Group in planning, implementation and monitoring coordinated resource management program in Arizona; to exchange information on policies, programs, methodologies and procedures, and issues; and to provide training, technical advice and assistance to the field groups and special working groups.
- c. This group will convey the status of statewide coordinated planning to the Executive Group. They will establish the work areas for each Field Group and maintain the current personnel lists for each Field Group. They will

review local planning progress and assist in building goal oriented consensus, help establish priorities for planning, and provide assistance in conflict resolution.

- d. The State Task Group will identify and work on opportunities, issues and problems in coordinated resource management planning and inter-agency training. They will also develop and maintain Arizona Coordinated Resource Management Handbook and Guidelines, and exchange and distribute resource data mutually beneficial to each agency.

3. FIELD GROUPS

- a. The Field Groups are made up of field staff from appropriate agencies and conservation districts within an Field Group Area designated by the State Task Group. The agencies involved in each field group will vary, depending on the land ownership and administrative responsibilities within each Field Group Work Area. The Field Groups will normally only include those agencies who will be directly involved in prioritizing, developing, implementing, and/or monitoring coordinated resource management planning activities.
- b. Field groups will formally meet at least once each year to exchange information and update, prioritize, schedule and assign agency roles for coordinated resource management activities.
- c. The State Task Group will maintain a working list of management units with planned or existing coordinated resource management activity in each Field Group Area. At the annual meeting the Field Groups will update the status of these management units, make additions or deletions to the list, and prioritize the workload as needed. Problems and areas of conflict should be brought up, discussed, and resolved by the group whenever possible. A member of the State Task Group will keep minutes of these meetings and to provide copies to Field Group participants and to the Executive Group.

4. SPECIAL WORKING GROUPS

- a. The Executive Group may establish, and appoint representatives of their respective agencies to a Special Working Group. The Executive Group may invite other agencies, local governments, universities, publics, producer groups or environmental organizations to participate in the Special Working Group as appropriate.
- b. The Special Working Group will address resource related issues and problems involving the need for a process of conflict resolution and public involvement at the field level which are beyond the traditional scope of the

field groups. The Executive group may form a Special Working Group by it's own action, or at the request of anyone with valid issues or problems which are presented to the Executive Group.

- c. The Special Working Group will define the issue or problem, establish operational guidelines, and develop a goal oriented process for addressing the issue or problem through the building of group consensus.
- d. The Special Working Group may call upon the State Task Group for assistance as necessary and will keep the Executive Group informed of progress and recommendations as they are developed.

F. MEETINGS

1. The State Task Group is responsible for scheduling, organizing, and facilitating the meetings of Executive Group, the State Task Group, and the Field Groups. The State Task Group will designate one person to organize the time and location for each meeting, a member to send out notification of the meeting to all participants, a member to solicit agenda items, and develop the agenda for each meeting, a member to facilitate each meeting, and a member to keep and send out minutes following each meeting. The State Task Group will call special meetings when requested by any party to this agreement with 15 days notice.

G. COORDINATED RESOURCE MANAGEMENT PLANNING PROCEDURE

1. A request for a coordinated resource management plan can be initiated at any time by a resource management agency, a Conservation District, a private land owner, a Native American Tribe, a land user or other appropriate party. The requests will be communicated to the appropriate members of the Field Group and arrangements will be made to hold an initial planning meeting. If a Field Group does not exist in the area, the State Task Group will establish the group.
2. At the initial planning meeting the involved parties will make arrangements to organize and execute the planning and implementation process. The development and implementation of a coordinated resource management Plan normally includes the following steps.
 - a. Determine the area involved, agree on the lead agency, and identify all other parties that should be invited to participate on a case-by-case basis.
 - b. Develop time schedules and responsibilities for completion of inventory, plan development, and monitoring activities.
 - c. Conduct necessary resource inventories. Inventory and monitoring methods, proposed improvements and land treatment, and responsibilities for implementation, will be agreed upon during the coordinated planning process. Coordinated resource management planning is accomplished

through a team approach, involving all appropriate agency representatives, land owners, and/or the land user.

- d. Develop the coordinated resource management plan. Record inventory data, decisions and other appropriate information on appropriate mosaics, maps, sketches, forms, or other documents. Responsibility for funding and the schedule of implementation, as appropriate, will be shown. It is recognized that funding as recorded indicates intent, but performance depends on yearly finances of the responsible party.
- e. All participants sign the coordinated resource management plan. Each group or agency will designate the appropriate representative who will sign coordinated resource management plans. The signed plan represents a mutual agreement on the plan of action that will be taken for the management unit. A copy of the inventory data and coordinated resource management Plan will be provided to all participants involved.
- f. Implement the coordinated resource management plan. All participants will normally agree to participate in planned monitoring to determine if the objectives of the coordinated resource management plan are being achieved. Management adjustments or changes should be based on monitoring data. Copies of all monitoring data will be provided to all participants.

H. MODIFICATIONS TO THIS AGREEMENT

1. This agreement can be modified in writing upon the consent of the parties at any time. It is re-negotiable at the discretion of any one of the parties.

I. DURATION OF THIS AGREEMENT

1. The Executive Group will formally review this agreement five years after its execution, and each two years thereafter. The continued participation of any party to this agreement is subject to cancellation at any time, upon written notification.

J. FINANCING

1. This agreement is a Memorandum of Understanding of the parties responsible. Any work under this MOU and any amendment pursuant thereof will be regulated by the laws, policies and funding provisions governing the activities of the parties.
2. Nothing herein shall be construed as obligating the parties to expend funds or be involved in any contract to other obligation for the future payment of money in excess of legal appropriations which are authorized and allocated for this planning and work.

K. GENERAL POLICIES AND REQUIREMENTS

1. Federal parties to this agreement, except those exempted agencies, are required by the policies of the National Environmental Policy Act (NEPA) to ensure that environmental impacts receive full consideration during the planning process. Procedures for environmental assessment and preparation of environmental documents required for compliance with NEPA, where applicable have been developed by each agency.
2. Pursuant to A.R.S. Section 35-214 all parties shall retain all books, accounts, reports, files and other records pertaining to this agreement for five (5) years after completion of a project and shall make them available to the State for inspection and audit at reasonable times.
3. This Agreement is subject to cancellation by the Governor of Arizona pursuant to A.R.S. Section 38-511, the provisions of which are incorporated herein.
4. All parties to this Agreement shall comply with State of Arizona Executive Order No. 75-5 "Prohibition of discrimination in State contracts--Nondiscrimination in employment by government contractors and subcontractors", which is made a part of this Agreement.
5. The program conducted will be in compliance with the nondiscrimination provisions as contained in the Titles VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987 (Public Law 100-259) and other nondiscrimination statutes, namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and in accordance with regulations of the Secretary of Agriculture (7 CFR-15, Subparts A & B) which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or handicap be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, receiving federal financial assistance from the Department of Agriculture or any agency thereof.
6. To the extent permitted by federal law, parties shall use arbitration, after exhausting applicable administrative review, to solve disputes arising out of this Agreement as required by A.R.S. Section 12-1518.

MEMORANDUM OF UNDERSTANDING FOR COORDINATED RESOURCE MANAGEMENT IN ARIZONA

APPROVED BY	TITLE	DATE
<i>Denise P. Merlotti</i> FOR DENISE P. MERLOTT BUREAU OF LAND MANAGEMENT (BLM)	STATE DIRECTOR	12/18/97
<i>W.D. V. D.</i> FOREST SERVICE (USFS)	Assistant (Conservation)	3-31-98
<i>James A. Christensen</i> COOPERATIVE EXTENSION (CE)	Director, Cooperative Extension	6-18-98
<i>Robert A. Pimental</i> FARM SERVICE AGENCY (FSA)	State Executive Director	12/4/97
<i>W. H. Marshall</i> BUREAU OF INDIAN AFFAIRS (BIA)	AREA DIRECTOR	4/13/98
<i>Michael A. Manservigi</i> NATURAL RESOURCES CONSERVATION SERVICE (NRCS)	STATE CONSERVATIONIST	11/21/97
<i>Alison Strauss</i> ENVIRONMENTAL PROTECTION AGENCY (EPA)	Assistant Director, W & E	23 June 98
<i>Robert S. Harbott</i> FISH AND WILDLIFE SERVICES (USEWS)	Regional Director	3/10/96
<i>Robert S. Harbott</i> BUREAU OF RECLAMATION (BOR)	Regional Director	5/29/97
DEPARTMENT OF DEFENSE (DOD)		
<i>John G. G.</i> NATIONAL PARK SERVICE (NPS)	Regional Director	6/6/98
<i>John B. P.</i> U.S. GEOLOGICAL SURVEY (USGS)	State Director Representative	6/2/99
<i>Charles R. M.</i> AGRICULTURAL RESEARCH SERVICE (ARS)	Authorized Departmental Officer	11/6/98
<i>Dennis Wells</i> ARIZONA STATE LAND DEPARTMENT (SLD)	State Land Commissioner	12/11/97
<i>Dennis Wells</i> ARIZONA GAME AND FISH DEPARTMENT (AGFD)	AZ Game & Fish Director	1/28/98
<i>John D.</i> ARIZONA ASSOCIATION OF CONSERVATION DISTRICTS (AACD)	Executive Director	11/28/97
<i>Mike P. Gerson</i> ARIZONA DEPARTMENT OF WATER RESOURCES (ADWR)	Director	6/10/98
<i>Michael M.</i> ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ)	Director	1/12/98
<i>Sharon R. P.</i> ARIZONA DEPARTMENT OF AGRICULTURE (ADA)	DIRECTOR	12/24/97
<i>Charles R. Catterly</i> for <i>Ken T.</i> ARIZONA STATE PARKS (ASP)	EXECUTIVE DIRECTOR	12-22-97

COOPERATIVE WORKING AGREEMENT
Between the

REDINGTON NATURAL RESOURCE CONSERVATION DISTRICT
and the
UNITED STATES DEPARTMENT OF AGRICULTURE
NATURAL RESOURCES CONSERVATION SERVICE

For their Cooperation in the
Conservation of Natural Resources

THIS AGREEMENT is made and entered into this 2nd day of *November*, 2009 by and between the Redington NRCD, hereinafter referred to as the District and the Natural Resources Conservation Service (NRCS), hereinafter referred to as the NRCS, to define clearly the roles and responsibilities of the parties.

AUTHORITIES, STATUTES, LAWS

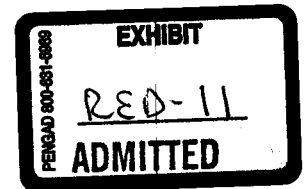
NRCS is authorized to cooperate and furnish assistance to the parties in the conservation of natural resources as referenced in the Soil Conservation and Domestic Allotment Act, 16 U.S.C. 590; the Department of Agriculture Reorganization Act of 1994, Public Law 103-354; and Secretary's Memorandum No. 1 01 0-1, Reorganization of the Department of Agriculture, dated October 20, 1994. NRCS staff will direct and implement conservation initiatives and programs as guided by local NRCD and SWCD priorities, and NRCS state and national policy.

The Natural Resource Conservation Districts of Arizona are authorized for participation as defined in Arizona Revised Statutes, § 37-102 and § 37-1001, ET. SEQ.

The Soil and Water Conservation Districts of Arizona are authorized for participation under various Tribal Codes.

The purpose of this agreement is to supplement the Mutual Agreement between the United States Department of Agriculture, Tribal Governments and the various Natural Resource Conservation Districts and Soil and Water Conservation Districts signed in 1996. This cooperative working agreement documents those areas of common interest of the state, tribal, federal and local partnership in natural resources conservation.

The customers of the parties to this agreement are individual landowners/land users, Federal and state land management agencies, other individuals, groups, and units of government. The parties mutually agree to provide leadership in resource conservation. To accomplish this we share a commitment to listen, anticipate and respond to our customers' needs; anticipate, identify, and address issues; maintain decision-making at the lowest level by promoting locally lead conservation; advocate comprehensive resource management planning, maintain and improve our grass-roots delivery system; build new alliances to expand our partnership; foster economically viable environmental policies; improve the quality of life for future generations; and conserve and enhance our natural resources.



The parties pledge to work together by advancing and practicing teamwork; including input in the decision making process; communicating, coordinating, and cooperating; sharing training opportunities; promoting mutual respect, support, trust, and honesty; and sharing the leadership and ownership, the credit and the responsibility. A mutual goal is to improve our efficiency and effectiveness by putting quality first; empowering people to make decisions; demonstrating professionalism and dedication and striving for continuous improvement.

This agreement will help the parties define expectations and clarify roles and responsibilities in the delivery of technical and financial assistance in order to improve efficiency by complementing each party's program and avoiding duplication of efforts.

Therefore, NRCS and the District, deem it mutually advantageous to cooperate in this undertaking, and hereby agree as follows:

The Natural Resources Conservation Service will:

1. Support the DISTRICT's goals by providing technical assistance to the land owners and land managers within areas of resource conservation and management by completing conservation plans and offering USDA cost sharing opportunities whenever possible or referral to other federal, state or local cost share opportunities where applicable.
2. Receive input from the Local Work Group and stakeholder meetings and use the information to set priorities which guide the delivery of NRCS programs.
3. Partner with the DISTRICT in coordinating with the local agriculture, agency and community groups where possible to further the DISTRICT'S conservation goals and objectives.
4. Respond to DISTRICT requests for guidance and technical assistance for DISTRICT activities regarding resources available from NRCS.
5. NRCS will implement the USDA conservation programs.
6. Keep DISTRICT apprised of NRCS activities and programs on a monthly basis and provide a yearly summary of NRCS accomplishments to the DISTRICT.
7. Bring financial opportunities, including matching funds strategies to the attention of DISTRICT.
9. Allow for district supervisors to accompany NRCS employees in NRCS vehicles to complete official NRCS business of mutual interest to both parties. Only persons having an official NRCS business need will be permitted to ride as passengers in NRCS vehicles. Passengers will not be permitted to ride as a matter of personal preference or convenience.

If available, NRCS vehicles assigned to the Willcox field office may be used by the Conservation District supervisors covered by this agreement only for purposes of official NRCS business. Such usage must be in accordance with NRCS policy as outlined in General Manual 360, part 420.150, and General Manual 120, parts 405.21 and

40S 23(m). Completing work items covered in the Field Office Business plan, and completing work on items in Contribution agreements are examples of official NRCS business. All use of the vehicles should be approved by the District Conservationist. Districts are encouraged to have personal liability insurance to protect them from any potential misuse.

(See the following attached exhibits)

- a) Exhibit 1: GM 360, part 420.150: Safety and Health Management Program
Subpart O: Safety Requirements for Incidental Motor Vehicle Operators.
- b) Exhibit 2: GM 120, part 405.21: Personal Property.
- c) Exhibit 3: GM 120, part 405.23: Vehicle
Management
(m) Loan of Vehicles.

Vehicle usage for Conservation District, or other non-NRCS business is not provided under this agreement.

Vehicles can be loaned to other agencies of the Department of Agriculture, to Federal agencies outside the Department, and in some circumstances to non-Federal agencies. All loans require formal written agreements. An Agreement for Intermittent Use of Transportation Equipment must be established for use other than official NRCS business.

The DISTRICT will:

1. Provide technical and education assistance within the joint service area in the areas of resource conservation and conservation planning.
2. Provide local priorities to guide NRCS activities by producing an annual work plan and keeping an updated DISTRICT'S long range strategic plan.
3. Convene the Local Work Group and stakeholder meetings to provide local advice to NRCS programs.
4. Continue to pursue financial and technical assistance to build DISTRICT capacity and address identified conservation priorities in the joint service area.
5. Assist NRCS in promoting USDA programs by participating in education and outreach activities.
6. Advocate for a strong natural resource conservation program by keeping County Board of Supervisors, local legislators, and other key stakeholders apprised of conservation activities in the joint service area.
7. Update NRCS on activities of local and state advisory committees and community groups attended by DISTRICT Board members and staff.
8. Participate in local, state, and national opportunities for policy, program, and project development.

9. Technical practice application will follow NRCS standards and specifications or equivalent on projects / programs.

The DISTRICT and NRCS mutually agree to:

1. Coordinate activities to ensure efficiency in program delivery and good working relations toward accomplishing goals of the strategic plans.
2. Share equipment and technology to further the goals and objectives of both parties - work together to develop agreements for sharing of supplies and equipment.
3. Will coordinate information and outreach strategies to the public
 - a) definition of "sensitive information" will be determined by NRCS on a case by case basis considering the impact of the Freedom of Information Act, State Statutes and Tribal Codes.
 - b) Section 1619 of the Farm Bill prohibits the Secretary of Agriculture and its employees, contractors and cooperators from disclosing certain information that has been provided by agricultural landowners and producers to participate in the U.S. Department of Agriculture's (USDA) programs, except as necessary for delivering technical assistance.
(Please see and sign attachment)
4. Share opportunities for training.
5. Each party is responsible for the hiring, management, supervision, development and evaluation of its own personnel.
6. DISTRICT Supervisor(s) and NRCS District Conservationist will be included or courtesy copied with business communication of joint importance and/or governance using the appropriate lines of communication.
7. The parties will assume responsibility for the actions of their officials or employees acting within the scope of their employment to the extent provided by law.
8. Parties will provide project data including accomplishments to each other at least twice a year to facilitate project and program coordination.
9. Exchange and share information on funding opportunities for joint projects and activities.
10. May co-host meetings & events of mutual interest.
11. In the event of a natural disaster or other emergency, work priorities may be changed to allow appropriate response.
12. Develop disaster response plan for natural resources.
13. Meet respective parties' deadlines for joint activities and information exchange.
14. This agreement can be modified or terminated by either party by giving 60 days' notice.

The parties will be in compliance with the nondiscrimination provisions contained in Titles VI and VII of the Civil Rights Act of 1964, as amended; the Civil Rights Restoration Act; of 1987(Public Law 100-259) and other nondiscrimination statutes, namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972 the Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, and in accordance with regulations of the Secretary of Agriculture (7 CFR. - 15, Subparts A & 8) which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Agriculture or any agency thereof.

Redington Natural Resource Conservation District

By. Charles Kent

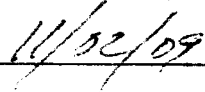
Date: October 28, 2009

USDA Natural Resources Conservation

By.


STATE CONSERVATIONIST

Date:



The Arizona Conservation Partnership

Jointly provides leadership to the state on conservation issues. As partners, we have independent responsibilities and authorities, but we are committed to one another and depend on each other for the successful delivery of conservation.

TEACHING PRINCIPLES

We share a commitment to:

- Listen, anticipate, and respond to our customers' needs
- Expand participation and influence in conservation work
- Develop mentoring and leadership "pipelines"
- A locally led process that anticipates, identifies, and addresses natural resource issues
- Engage in the lowest appropriate level
- Total resource management
- Productive, sustainable, working landscapes
- Enhance the viability of our grass roots delivery system (districts & field staff)
- Improve the quality of life for current and future generations
- The significance of the cooperator agreement in the state, federal, Tribal, private partnership
- Value and nurture our existing alliances
- Build, alliances to expand our partnership
- Foster policies that are economically, ecologically, and socially viable

viabile

- ◆ Sustain and conserve our natural resources and environment
- ◆ Ensure that agriculture remains a viable land use in our state
- ◆ Influence public opinions and perceptions through conservation education, outreach, and involvement

We pledge to work together.

- ◆ Communicating, coordinating, and cooperating
- ◆ Advancing and practicing teamwork
- ◆ Involving each partner in the decision-making process that impacts the partners
- ◆ Sharing strategic timelines (calendar) on partnership activities
- ◆ Demonstrating mutual respect, integrity, respect, belief, and honesty
- ◆ Sharing the leadership and ownership the work involves
- ◆ responsibility

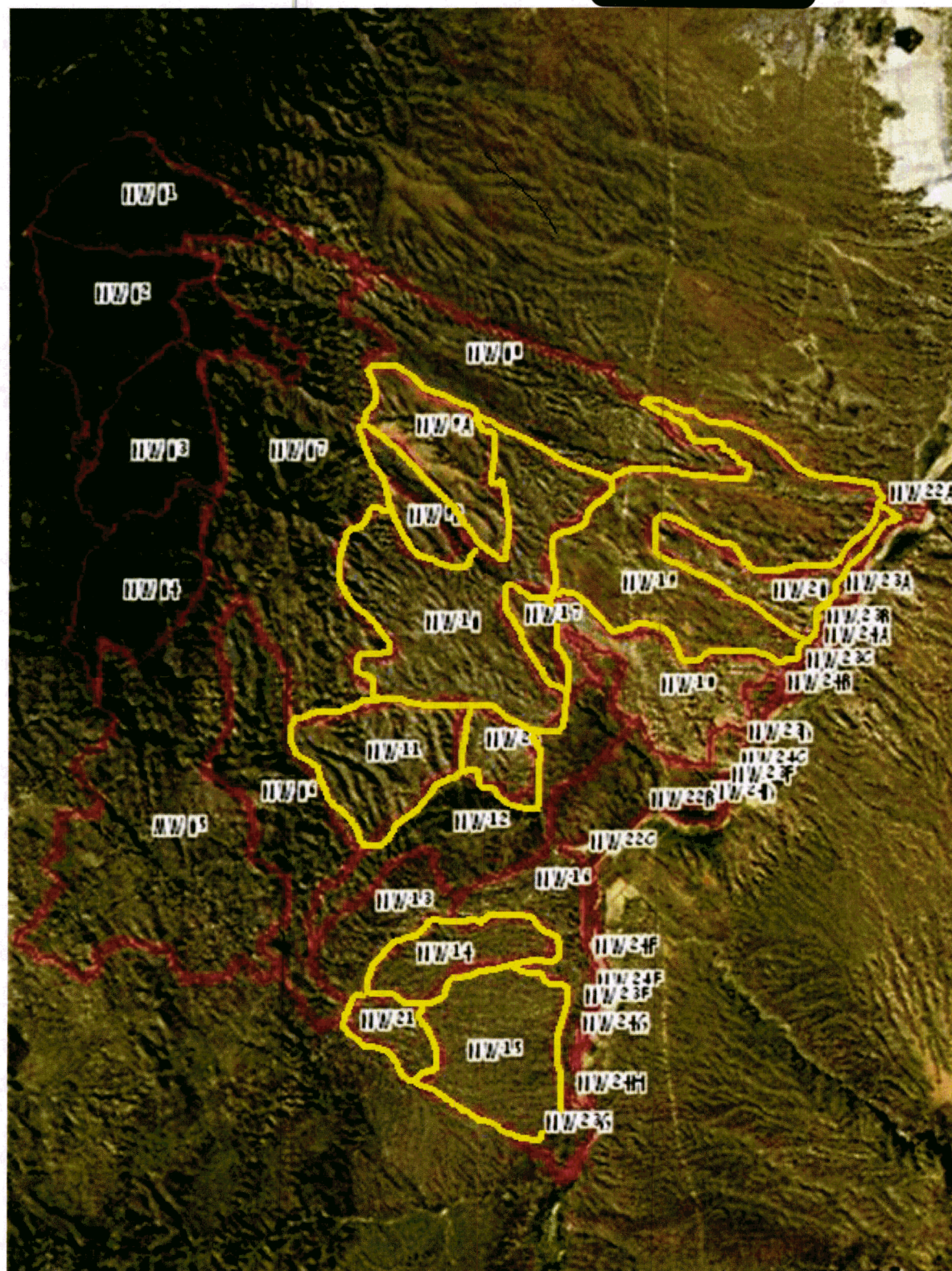
We will improve our efficiency and efficiency.

- ◆ Broadening our communication efforts
- ◆ Increasing our public outreach efforts
- ◆ Empowering people to make appropriate decisions
- ◆ Demonstrating professionalism and dedication
- ◆ Striving for continuous improvement
- ◆ Establishing frameworks, management controls, accountability, and quality assurance (technical & administrative)

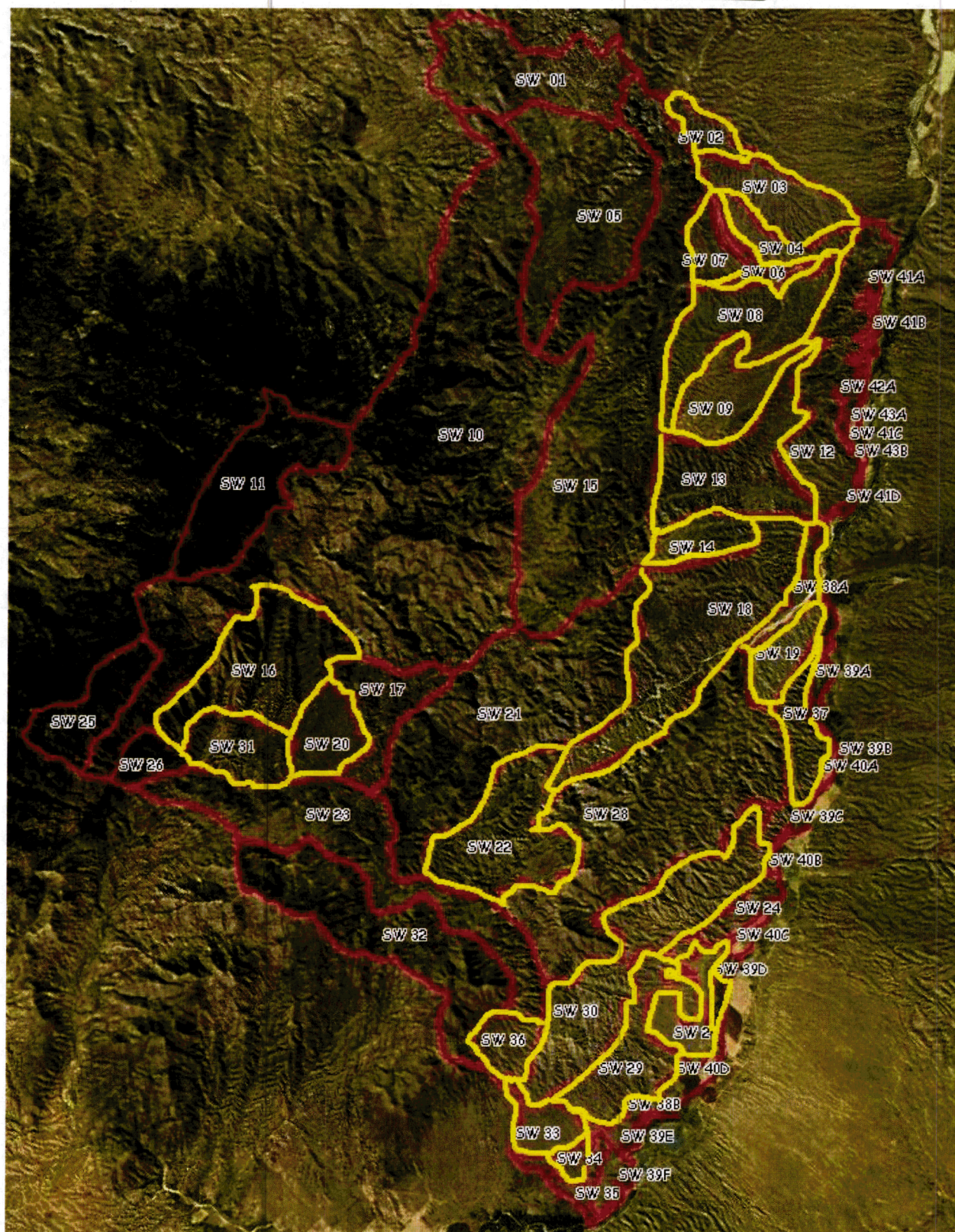
Signatures:

ASD
NCCS
David L. King
David L. King
Award
Award

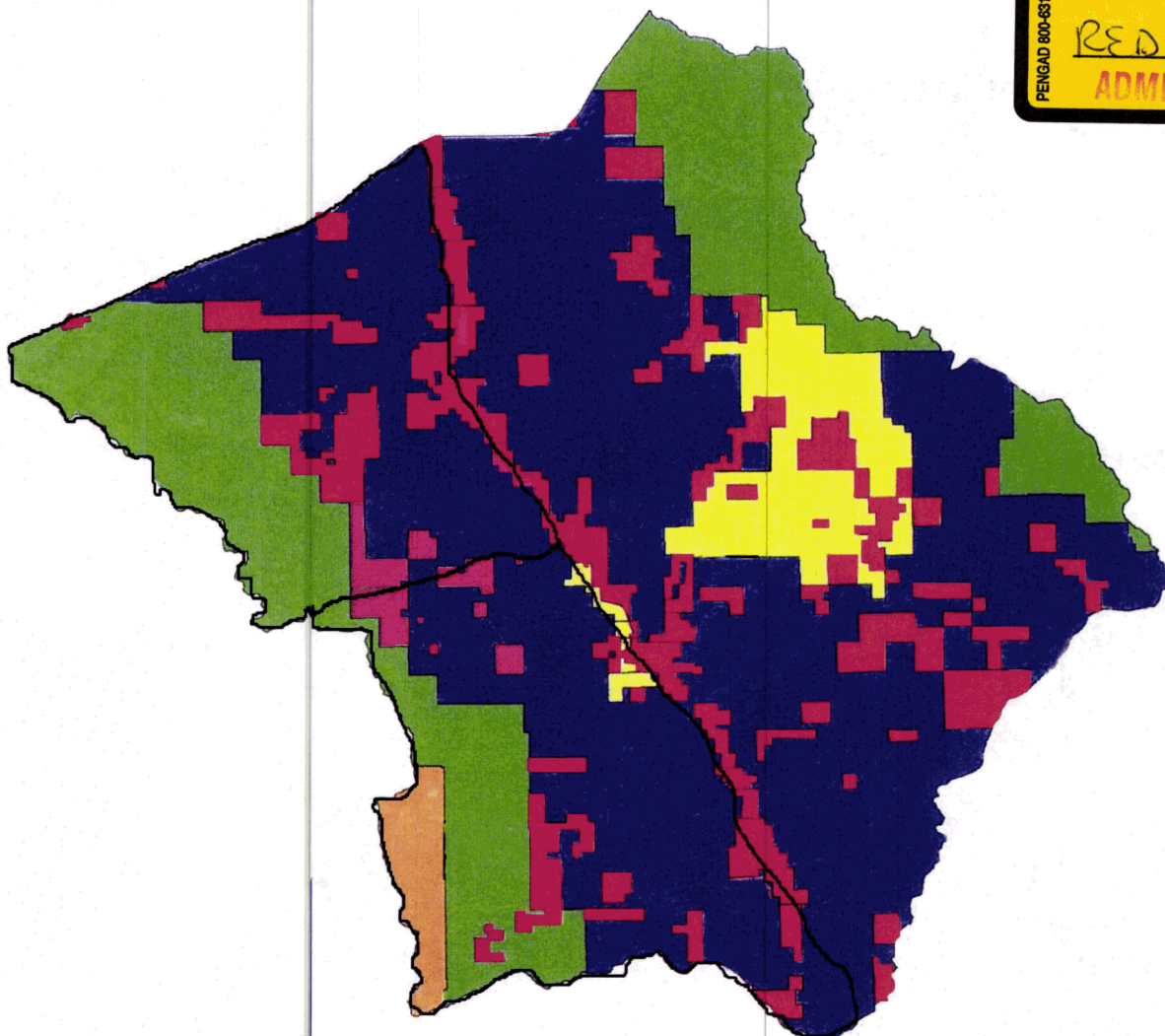
PENGAD 800-631-0088
EXHIBIT
RED-11B
ADMITTED



Northwest Quadrant of LSP Watershed Assessment
Medium to Highly Erodible Soils designated with bright yellow outline



Southwest Quadrant – LSP Watershed
Medium to Highly Erodible Soils designated with bright yellow outline



Legend

Purple = State
Red = Private
Green = Forest Service

Yellow = Bureau of Land Management
Orange = National Park Service
Pink = Pima County

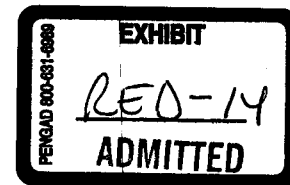
Black Outline depicts boundaries of NW and SW Quadrants in LSP Assessment

Scale 1:300,000

District Ownership Map
Black Outline depicts NW and SW Quadrants in LSP Assessment



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August 20, 2012

NMSunZiaproject@blm.gov**BUREAU OF LAND MANAGEMENT**

New Mexico State Office
SunZia Southwest Transmission Project
P.O. Box 27115
Santa Fe, New Mexico 87502-0115

U. S. Mail and Courier

Adrian Garcia, Project Manager
BUREAU OF LAND MANAGEMENT
SunZia Southwest Transmission Project
c/o EPG, Inc.
4141 N. 32nd Street, Suite 102
Phoenix, Arizona 85018

U. S. Mail

Adrian Garcia, Project Manager
BUREAU OF LAND MANAGEMENT
New Mexico State Office
P.O. Box 27115
Santa Fe, New Mexico 87502

✓ Via Federal Express

Bureau of Land Management
SunZia Southwest Transmission
Project
301 Dinosaur Trail
Santa Fe, New Mexico 87508

Re: *COMMENTS ON DRAFT ENVIRONMENTAL IMPACT STATEMENT AND RESOURCES
MANAGEMENT PLAN FOR SUNZIA SOUTHWEST TRANSMISSION PROJECT (MAY 2012, DES-
12-26 AMENDMENTS) BY WINKELMAN NRCD and REDINGTON NRCD*

Gentlemen:

We are hereby transmitting to you the comments of Winkelman NRCD and Redington NRCD on the Draft Environmental Impact Statement and Resources Management Plan, May 2012, DES-12-26 for the proposed SunZia Transmission Project ("DEIS").

These comments supplement and are in addition to all prior comments and submissions by the Districts. Please consider, address and resolve these comments consistent with our request in the attached comprehensive comments on the DEIS.

The Districts are prepared to meet with responsible representatives of BLM to coordinate all of the above identified issues and resolve inconsistencies and conflicts with the Districts' plans and mission statements. We would expect that



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ATTORNEYS AT LAW

August 20, 2012
Page 2

all these matters be addressed and resolved prior to completion of the Final Environmental Impact Statement.

Very truly yours,
MARGRAVE CELMINS, P.C.

Lat J. Celmins
*Attorneys for Winkelman and Redington
National Resource Conservation Districts*

c: Clients

N:\WP50\Winkelman NRCD\BLM Comment Ltr.wpd

**COMMENTS ON DRAFT ENVIRONMENTAL IMPACT STATEMENT
AND RESOURCE MANAGEMENT PLAN FOR SUNZIA SOUTHWEST
TRANSMISSION PROJECT (MAY 2012, DES-12-26 AMENDMENTS)**

BY WINKELMAN NRCD and REDINGTON NRCD

August 20, 2012

To:

NMSunZiaproject@blm.gov Bureau of Land Management New Mexico State Office SunZia Southwest Transmission Project P.O. Box 27115 Santa Fe, New Mexico 87502-0115	U. S. Mail Adrian Garcia, Project Manager Bureau of Land Management New Mexico State Office P.O. Box 27115 Santa Fe, New Mexico 87502-0115
U. S. Mail and courier Adrian Garcia, Project Manager Bureau of Land Management SunZia Southwest Transmission Project c/o EPG, Inc. 4141 N. 32nd Street, Suite 102 Phoenix, Arizona 85018	Via Federal Express Bureau of Land Management SunZia Southwest Transmission Project 301 Dinosaur Trail Santa Fe, New Mexico 87508

mailto:nmsunziaproject@blm.gov

Please accept and fully consider these comments submitted by Winkelman Natural Resource Conservation District ("Winkelman") and Redington Natural Resource Conservation District ("Redington") on the Draft Environmental Impact Statement and Resource Management Plan Amendments (May 2012, DES-12-26) for the proposed SunZia Transmission Project ("DEIS"). These comments supplement comments already submitted on October 9, 2011 by Winkelman and Redington, in meetings, and in written and oral communications with the Bureau of Land Management ("BLM") in which Winkelman and Redington expressed numerous concerns about the potential environmental impact of the SunZia Project on their Districts.

Additionally, throughout the scoping process, Winkelman and Redington submitted comments and evidence relating to the impacts on the San Pedro watershed together with requests for correction of information contained in the scoping documents including its final appeal of January 20, 2012.

These comments also supplement the Districts' specific requests for coordination of these adverse impacts with the long-range plans of Winkelman and Redington

including the written requests directed to BLM on June 28, 2012, July 12, 2012 and July 17, 2012.

ARIZONA'S NATURAL RESOURCE CONSERVATION DISTRICTS

Winkelman NRCD and Redington NRCD (collectively "Districts" or "NRCDs") are the local political subdivisions of the State of Arizona with responsibilities that include the San Pedro River watershed and Aravaipa Creek habitat areas. The Districts were established by the Arizona Constitution, Article XIII, § 7 and A.R.S. § 37-1001, *et seq.* to protect the natural resources within their jurisdictions consistent with the natural resource policy of the State of Arizona and the Districts' own long range plans.

The Districts were established in 1941 by the State of Arizona as legal subdivisions of the State. They are organized by the vote of landowners within the District and management is by a Board of Directors elected by local citizens. The Districts are a form of local government authorized to identify and address resource conservation needs within their jurisdictions. There are 41 conservation districts spanning the entire breadth of Arizona, 32 of which are established under State law and 9 established under Tribal law. The elected District Board of Supervisors has the responsibility for determining the resource conservation needs for the District, for developing and coordinating long range plans and programs for natural resource conservation and implementing them under the Districts' annual plan of operation. The Districts work with and coordinate their efforts with Federal and State government, organizations, agencies and individuals to accomplish soil and water conservation. Arizona's conservation district law is embodied in legislation and establishes the State's natural resource policy, carried out on a local level by the Districts:

It is declared the policy of the legislature to provide for the restoration and conservation of lands and soil resources of the state, preservation of water rights and the control and preservation of soil erosion, and thereby to conserve natural resources, conserve wildlife, protect the tax base, protect public lands and protect and restore the state's rivers and streams and associated riparian habitats including fish and wild life resources that are dependent on those habitats, and in such manner to protect and promote the public health, safety and general welfare of the people. (Ariz. Rev. Stat. Ann. § 37-1001)

A. Winkelman NRCD

Winkelman NRCD is located in the eastern part of Pinal County, the southwest corner of Gila County, a small portion of the southwest corner of Graham County and a small area in northeast Pima County. To the north lie the Pinal Mountains, to the east the Galiuro Mountains, to the south are the Catalina Mountains and to the west lies the desert land near Picacho Reservoir. Substantial portions of two of Arizona's major rivers, the San Pedro and the Gila, wind through the District. Winkelman NRCD includes 1.6 million acres of land of which less than 1500 acres is irrigated farmland. The remaining acres not within towns, cities or mine lands are rangeland. The land ownership is a

combination of private, State and Federal lands. Portions of the Tonto and Coronado National Forests lie within the District's boundaries. Winkelman NRCD also includes BLM lands, Arizona State Trust Lands, and private lands.

Winkelman NRCD has established conservation district land management plans which are updated from time to time to carry out the public policy of the State on a local level. Winkelman NRCD is governed by five elected supervisors who meet on a regular basis to carry out its long range plans and statutory mandates. Winkelman NRCD coordinates its resource conservation efforts with Federal and State agencies including the BLM and takes its responsibilities seriously.

B. Redington NRCD

Redington NRCD was established in 1947 and encompasses 290,000 acres of land in the San Pedro River Valley of southeastern Arizona. It includes approximately 31 miles of the San Pedro River which runs north-northwest through the middle of the District and is the area's most defining geographical, ecological and social-historic feature. Redington NRCD's southern boundary lies just north (downstream) of the Narrows, a bedrock intrusion that divides the upper and lower San Pedro basins. The western boundary runs along the crest of the Rincon and Santa Catalina Mountains which separate the San Pedro and Santa Cruz watersheds. The northern boundary lies along the Alder Wash and Kielberg Canyon. The eastern boundary is an irregular north/south line through Range 20 East of the Gila-Salt River Meridian. It begins just north of the Narrows and ends on the southwestern flank of the Galiuro Mountains.

The single largest landowner in the area is the Arizona State Land Department holding trust lands for public schools and other trustees totaling 168,000 acres. Federal lands are approximately 77,000 acres and private lands are 45,000 acres.

INTRODUCTION

The NRCD's are legally recognized governmental subdivisions of the State of Arizona. As such, they have legal status under the Governor's Consistency Review. A 60-day Governor's Consistency Review is required by 43 CFR 1610.3-2(e) for all Resource Management Plans (RMPs) and RMP Amendments. The SunZia DEIS includes proposed RMP Amendments which require compliance with the Governor's Consistency Review as well as with the National Environmental Policy Act (NEPA).

The mission of the NRCDs is to protect, restore, and conserve the land, water, and soil resources, to preserve water rights and to prevent soil erosion, and to protect the tax base of public lands within District boundaries while assisting private property owners in making viable and responsible use of their private lands and of the public lands they use. The Districts' mission is derived from, and is consistent with, the mission statement of the State of Arizona set forth for all NRCDs organized under state law and is defined in statute.

The mission of the NRCs applies to nearly two million acres which are within the NRCs' boundaries. The NRCs have practiced responsible environmental stewardship of District lands for more than 60 years. The consequences of the Districts' environmental stewardship are restored or recovering ecosystems, continuation of viable agricultural economies, and preservation of traditional rural lifestyles. Environmental stewardship on District lands is evidenced by a series of adopted management plans and policies, and by numerous implementation measures which have required investment of millions of dollars in public and private funds. The SunZia project is inconsistent with the NRCs' adopted plans and policies. It is also inconsistent with the adopted land use plans and policies of Pinal County, Arizona, and with the recommendations of the corridor location recommendations of the West-wide Energy Corridor Programmatic EIS.

Nowhere is the environmental stewardship of the Districts more evident than in the San Pedro River Valley, which would suffer significant unmitigable impacts to the human environment if the SunZia Project is approved on the Preferred Alternative route through District lands. Our detailed comments on the SunZia DEIS support the conclusion that the Preferred Alternative should not be approved by the BLM, and that the proposed RMP Amendments conflict with BLM's policy as articulated in Instruction Memorandum No. 2011-059, "National Environmental Policy Act Compliance for Utility-Scale Renewable Energy Right-of-Way Authorizations," which directs the BLM to identify "appropriate project locations that conform with federal law, regulation, and policy, and with existing land use plans, minimizing the need for land use plan amendment."

FEDERAL NOTICES AND PROCEDURAL HISTORY

In September of 2008, SunZia Transmission, LLC submitted a Right-of-Way ("ROW") Application to BLM requesting authorization to construct, operate and maintain two new single-circuit overhead 500 kilovolt transmission lines originating in Socorro County, or Lincoln County, New Mexico, and terminating at the Pinal Central Sub-Station in Pinal County, Arizona.

On May 29, 2009, BLM published a Notice of Intent ("NOI") to prepare an EIS pursuant to the National Environmental Policy Act ("NEPA"), as required by Federal regulations promulgated for the Federal Land Policy and Management Act on 1976 ("FLPMA"), found at 49 CFR Part 2800, 74 FR 25764. BLM is the lead Federal agency for the NEPA analysis and preparation of the EIS. The initial proposal was to transport electricity generated by power generating resources, including primarily renewable sources, to the western power markets and load centers. The emphasis was on renewable energy resources which included wind, solar and geothermal generation.

BLM acknowledged in its NOI that the SunZia Project may require amendment to at least four of the local Resource Management Plans. BLM affirmed that if Resource Management Plan amendments are necessary, BLM would integrate that process with the NEPA process for the SunZia Project. In disregard of the very issues that BLM identified

in its May 29, 2009 NOI, BLM simply plowed ahead with a draft EIS giving lip service to the issues, concerns and impacts raised by the Districts in the scoping and public meetings initiated by the Districts over a two-year period. These District meetings were held for the purpose of providing meaningful information to the BLM so that the agency could address matters of inconsistency between the proposed action and local government planning. BLM simply trampled over these very issues. On May 29, 2012 BLM gave notice of availability of the Draft Environmental Impact Statement (DEIS) for the SunZia Transmission Line Project and the prospective draft Resource Management Plan amendments and announced the opening of a comment period of 90 days or until August 22, 2012 (77 Fed Reg. 31637).

The Districts have actively participated in the scoping and planning process, and have repeatedly sought coordination as required in the Federal Land Management Policy Act and NEPA. Oral and written analyses which reflect inconsistencies between federal and local planning have been repeatedly submitted raising critical impacts and resource specific issues adversely affecting the Districts. These issues have been specifically identified with particularity and include (i) effects on, and alteration of the San Pedro River watershed; (ii) effects to wildlife habitat areas, plants and animal species; (iii) effects on cultural resources and archaeological sites; (iv) effects to visual resources and existing viewsheds; (v) conflicts with current land use plans and policies of the Districts; (vi) impacts on wilderness areas; (vii) effects on rural lifestyle and socio-economic conditions; and (viii) a need for avoidance of sensitive areas. The Districts have presented alternate routings and No Action Plan alternatives to the BLM and its contractor EPG.

CORRESPONDENCE AND PUBLIC MEETINGS

To that end, in addition to various communications that were made over time, the Districts sent a letter on June 28, 2012 to the BLM and responsible individuals including the Project Manager, State Directors and others requesting a follow-up meeting to the release of the DEIS so that specific inconsistencies between local planning and the now-identified Preferred Alternative could be addressed. That June 28, 2012 letter identified the statutory, contractual and factual basis requiring coordination with the Districts. Having received *no response* to that letter another meeting request was sent to the BLM and all responsible individuals on July 12, 2012. *No response* was received to that request. That letter was again followed by another on July 17, 2012 with again no response, and therefore an assumed refusal of compliance with federal requirements to coordinate local and federal planning.

Concurrently, BLM gave notice of numerous public meetings in New Mexico and Arizona soliciting comments on the DEIS. In each of these meetings, public participation and public inputs and comments were foreclosed. For instance, approximately 100 members of the public appeared at the Tucson meeting and were specifically told that *public participation was foreclosed and that there would be no public comments received at that time*. At the scheduled Benson meeting on July 12, 2012 about 50 members of the public responded to the BLM's public participation request and several of them were

prepared to present their views on the adverse impacts of the SunZia transmission line project. Public participation was again foreclosed. This had a chilling effect on public participation and sent a strong signal that the BLM is not interested in public inputs, that public comments would be ignored and that any further written comments by interested parties would be disregarded as in the past. BLM's actions have made a mockery of the entire administrative process.

There were only two people who were authorized by the BLM to speak publicly at the DEIS public meetings, BLM Project Manager Adrian Garcia and EPG representative Mickey Siegel. Their presentation at the Tucson and San Manuel meetings was approximately 45 minutes in length, and the audience was given instructions that any questions or comments regarding their presentation would be addressed on a one-on-one basis between the members of the public and various members of the BLM and EPG staff that would be available afterward. When a member of the audience slipped from this protocol and requested a clarification or posed a question or even raised their hand during the presentation, they were quickly told that all questions would be handled afterward according to the protocol that had been described.

It was very disconcerting that the main person describing the project on behalf of the BLM was Mickey Siegel, who had in April of 2001 represented one of SunZia's owners (SWPG) in their application for a Certificate of Environmental Compatibility, for the routing of a connector gas line and a connector transmission line for SWPG's Bowie Power Plant. This placed Mr. Siegel in the position of potentially protecting his former client's interest in securing additional transmission capacity for the Bowie Plant by describing the SunZia project in a way that would promote acceptance of the proposed transmission project by the public.

Indeed, Mr. Siegel spoke exclusively about renewable energy resources during his presentations at the Tucson and San Manuel meetings. When he was speaking at the San Manuel meeting about renewable energy resources in the vicinity of the Bowie Plant, a member of the small audience asked, "What about natural gas resources in this region?" Mr. Siegel responded that he was only covering renewable energy resource zones, and that any questions needed to be held until after the presentation when they would be answered by a member of the staff.

By controlling the message about the purpose of the SunZia project, by ignoring much of what was submitted in written form regarding this issue in scoping, coordination, and IQA processes, and by forbidding any questions or comments during or immediately after the presentations at the public meetings, the BLM was denying the public and stakeholders any opportunity to effectively challenge the narrative about renewable energy that was being presented by the environmental consultant, EPG, in the public meetings and in the DEIS.

BLM has failed to identify the specific issues and existing conflicts with land and resource plans of the Districts, nor has it proposed any alternatives to resolve these issues as required by Federal law and regulations.

GENERAL COMMENTS ON THE DEIS

The statement of purpose of and need for the proposed SunZia project is fundamentally flawed. The DEIS cites the mandate of the Federal Land Management Policy Act (FLPMA) to accommodate multiple uses on BLM-managed lands as the need for the project. Multiple use is a policy, not a need. Multiple use policy could be implemented by a near-infinite range of possible alternatives such as increased minerals leasing or increased developed recreation areas, in addition to the SunZia project. A general multiple use policy does not demonstrate need for the specific proposed SunZia transmission project. Consequently, the SunZia project is a purpose which does not address a defined need. Need should be restated to define a problem which the SunZia project would resolve. (We provide detailed comments on the purported need and justification for the SunZia project in our commentary on cumulative impacts.)

The DEIS analyses only those existing conditions and environmental consequences which would occur on BLM lands. BLM lands comprise only 14.9 miles of the total 161.2 mile long Preferred Alternative Route (4C2c) through NRCD lands. The existing conditions and environmental consequences on the remaining 146.4 miles of State of Arizona and private lands are not addressed in the DEIS. The DEIS therefore presents a very limited and distorted picture of the full extent of the effects of the SunZia project. It would circumvent the spirit of NEPA to use the DEIS to support a grant of right of way on BLM lands when 90.8 percent of the route is not under BLM jurisdiction, and lands under BLM jurisdiction are randomly dispersed throughout the proposed transmission line route, so that route analysis in the DEIS is necessarily discontinuous and fragmented. A grant of ROW on isolated scraps of BLM land located along the proposed transmission line corridor would have the inappropriate consequence of putting the larger burden of fulfilling federal energy policy and project goals on state and private landowners to create a viable integrated ROW. The DEIS should be re-written to fully analyze and disclose effects to all lands—regardless of jurisdiction—which would be impacted by the SunZia project.

Throughout the DEIS, much of the discussion of environmental impacts is deferred to the Plan of Development (POD) which must be approved by the BLM. The location of access roads and housing camps, location and spacing of transmission line towers, location of intermediate substations, and many other particulars are discussed only generically in the DEIS, with details to be determined at some future date. This is an unacceptable level of analysis. Effects should be defined within the DEIS as the basis for agency decision making under NEPA, not in peripheral documents or in the future.

SPECIFIC COMMENTS ON THE DEIS

The expertise of the NRCDS applies to lands within the NRCDS' jurisdictions, so we limit our specific comments to the sections of the DEIS which discuss Route Group Four with the exception of comments on DEIS topics which affect all route alternatives.

Section 1.3 discusses the Energy Policy Act of 2005 with reference to Section 368 corridors. The discussion is misleading because the West-wide Energy Corridor Programmatic EIS (November, 2007) identified energy and multi-modal corridors in the 11 western states, but the proposed SunZia transmission corridor is not identified. None of the corridors identified within Arizona is within the southern quadrant of the state where the proposed SunZia project would be located. The SunZia project is not within a designated corridor.

Section 1.4 states that "New Mexico and Arizona are characterized as regional power exporting areas, due to the availability of power from renewable resources." This is an inaccurate and misleading statement which, as written, implies that these states have power from renewable sources to export. This section should be rewritten to note that Arizona and New Mexico are *potential* power exporting areas because of renewable energy resources, but that there is not at present a net power (developed energy) surplus available for export.

In Section 1.4 it is noted that the location of proposed power generation projects, or of interconnections, cannot be disclosed. The full environmental effects of the SunZia project cannot, therefore, be analyzed.

Section 2.2.2.2, Table 2-1 lists a data layer "Vacant/Undeveloped" and assigns this category a Low sensitivity level. This characterization and sensitivity rating reflect a pejorative urban bias that is present throughout the DEIS. It would be more accurate to rename the data layer "Open Space/Managed and Improved Rangeland" and assign sensitivity rating of "Moderate" or greater to be comparable to the sensitivity level assigned to Urban Areas. Use of the Low sensitivity rating skewed route selection.

This same table lists Cultural and Biological resources data layers, but omits other data layers like soils, hazards, and wildlife movement corridors. The GIS constraints analysis was therefore incomplete as a basis for selecting corridor route alternatives. If the constraints analysis had been unbiased and inclusive, other corridor alternatives which avoid the San Pedro River Valley would likely have emerged. The Preferred Alternative west of the San Pedro River traverses a large percentage of soils subject to Moderate water erosion. The resulting potential increase in soil erosion is a direct contradiction to one of the primary resource protection purposes of the NRCDS.

Section 2.4.9.1 states, "Access roads would be identified in the POD and approved by the BLM before construction," and that other temporary use areas will be required. The location and environmental effects of these roads and areas should be disclosed and analyzed in the DEIS. The need for this disclosure in the NEPA document

is reinforced by discussion in 2.4.10.1 which alludes to undetermined locations of access roads, and to-be-determined methods of construction which could have widely diverging ranges of effects on the environment, and on private landowners. Without inclusion of this information, the DEIS is insufficient as a basis for agency decision making. For example, there is reference to "drive and crush roads" on flat terrain within certain vegetation communities—such roads anywhere in a desert ecosystem have the potential to permanently destroy crusts on desert soils, resulting in increased erosion. The location of such roads should be part of the DEIS, not discussed generically with effects to be determined by "field testing" at the time of use.

What agency is responsible for approving access roads on state and private land? How will effects be analyzed on non-BLM lands? How will mitigation measures be monitored and enforced on non-BLM lands??

Section 2.4.11.1 has vague discussion of chemical treatment of noxious weeds with pesticides or herbicides that might or might not need to be used, and mechanical or hand cutting of woody vegetation. This is an example of the "either-or" ambiguity that is present throughout the DEIS, with analysis deferred to the POD. Will chemical applications be used on State and private lands?

Table 2-11, mitigation measure 4 notes that new access roads not needed for maintenance would be permanently closed. This measure is unlikely to be successful in preventing unwanted access in rural areas once a road has opened an area. Backcountry users are very resourceful in circumventing "closures"—the effectiveness of the Arizona/Mexico border fence is but one notorious example of the difficulty of excluding determined travelers. Public and private lands would experience increase in trespass and damage to property and the environment.

Mitigation measure 12 notes that use of helicopter placement of structures reduces impacts by decreasing ground disturbance, but implies that "loss of vegetation, soil erosion, potential damage to cultural resources, and visual impacts" will occur in areas where helicopter placement will not be used.

Mitigation measure 14 refers to "timber resources." Are there any? In a region characterized by low growing, sparse vegetation, this mitigation measure is of questionable effectiveness. In areas with riparian vegetation, any removal or thinning is conspicuous because of the limited area occupied by riparian species in the desert. Any removal is inappropriate because it introduces high visual contrast, as well as detrimental effects to biota, soils, and runoff characteristics.

Section 2.5.4 notes that route selection considered minimization of impacts to commercial and residential uses as a criterion. This is another example of the urban bias of the DEIS. Urban and commercial users in the region would get the benefits of the transmission corridor, but would automatically be protected against bearing any of the adverse impacts because of this bias. This externality is inequitable and disproportionately affects the residents of the San Pedro River Valley.

Section 2.6 discusses RMP amendments. The Safford RMP is more than 20 years old. The conditions which existed when it was adopted have very likely changed substantially. Urban growth around Tucson is one example of likely change. To amend the RMP to accommodate the SunZia corridor without a complete revision of the RMP updating it to reflect existing conditions and current policies and management objectives is inappropriate. In light of the fact that the Preferred Alternative route through the San Pedro River Valley is in a corridor avoidance area, amending the RMP without first updating the entire RMP is the equivalent of spot zoning.

Amending the RMP to allow the SunZia corridor has the potential for additional adverse impacts because of the co-location policy which encourages additional utilities to locate in existing corridors. Amendment of the RMP eliminates the present ROW avoidance area to create a new corridor zone which would open a Pandora's box of cumulative impacts from future utilities along the SunZia route. This potential adverse effect was not addressed in the cumulative impacts analysis.

Tables 3.3 through 3.7 -Climate Statistics, inexplicably omit any data on wind and insolation. Data on renewable energy development potential along the proposed SunZia route is relevant to informed decision making.

Section 3.5 does not address sustainability of water resource use in the San Pedro River Valley, nor does it discuss water rights. Water rights to the San Pedro River have been the subject of numerous lawsuits, some ongoing.

Where will water for dust suppression come from? The volume required could be very large, given the length of unpaved Redington Road and the length of the SunZia corridor itself, as well as ancillary facilities such as access roads, staging areas, and housing camps.

Water(s) of the US are not defined in discussion of 404 permits. New USACE protocols for jurisdictional determinations are not discussed.

Is the statement that Route 4C2c crosses 6.1 miles of perennial streams accurate, when there is only one crossing of the San Pedro River?

Table 3-40 Cultural Resources omits two important resource types, Historic Landscapes and Cultural Geographies.

Section 3.9 does not address visual resources on non-BLM lands. Therefore visual effects of the SunZia project on more than 90 percent of the proposed corridor cannot be evaluated.

Section 3.1.9.3 does not discuss the most recent Pinal County Comprehensive Plan, (2009) which has major sections on open space visual quality. The SunZia project should be in conformance with the Comprehensive Plan.

Section 3.10.10.1 notes the corridor restrictions of the NRCDs' plans, but this information is not considered in evaluating impacts. The NRCDs adopted by resolution a policy prohibiting corridors. The SunZia project would violate this adopted policy. This policy has been provided to the BLM by the Districts but has been ignored in selecting the Preferred Alternative route through District lands.

Table 3-47 needs to add the NRCDs as State of Arizona land management agencies.

Page 3-229 first paragraph sixth line appears to be missing a verb between Interior to and corridors.

Page 3-233, subheading *Subroute 4C2c* mischaracterizes lands within the NRCDs' jurisdictions as vacant/undeveloped. A more accurate description would be grazing leases and conservation areas. Page 3-236 repeats this mischaracterization, under *Subroute 4C2* which notes, "undeveloped areas used for ranching and grazing." There is a Department of Interior initiative to conserve "Large Landscapes"—which include ranches—because of their high value as intact blocks of habitat, among other values. To describe ranches as vacant/undeveloped conflicts with the intent of this Interior initiative. Moreover, the Sonoran Desert Conservation Plan in Pima County, immediately to the south of the SunZia project location in southern Pinal County, has acquired, and plans to continue to acquire, area ranches for conservation areas. The value of additional Pima County ranchlands for conservation is noted in the DEIS, which states that the County "proposes the Six Bar Ranch...and A7 Ranch... for preservation in the future." The DEIS is inconsistent in the acknowledgment of the conservation value of ranches on the one hand, and dismissal of their value as "vacant/undeveloped" on the other.

Page 3-263 subheading *Subroute 4C2c* states that the Preferred Alternative crosses the Arizona National Scenic Trail. After decades of volunteer work which built the trail and successfully achieved its inclusion in the National Trail system just a few years ago, this intrusion would be particularly unsuitable and degrading.

Section 3.13.8 is inadequate in its discussion of fire and medical emergency services. Construction crews are not the only possible source of demand for increase in emergency services, nor is the area of impact merely a narrow 500 mile corridor, as stated in the DEIS. A transmission corridor would introduce a new "superhighway" of access through land which previously had limited accessibility. The DEIS notes on page 4-310 that housing camps will be required for construction crews. This is the only place in the DEIS that housing camps are mentioned. These transient communities will have emergency services needs (and other impacts) that are not analyzed in the DEIS. Full discussion of the location, size and full range of environmental impacts and mitigation measures should be added to the DEIS. Construction activity will attract other economic opportunists, trespassers, and persons engaging in illegal activities which can profit from proximity to construction workers, as well as take advantage of newly created access along the entire SunZia corridor. It is interesting to note that the characterization of

demand for emergency services was so narrowly addressed in the DEIS that the Pinal County Sheriff's Office, the Department of Homeland Security, and Immigration and Customs Enforcement are not listed in the DEIS as having been contacted. This should be corrected by contacting these agencies and addressing the potential demand for additional services they foresee as a result of a new corridor close to the US-Mexico border.

In addition, fire-fighting capabilities are noted in Table 3-68. There is no discussion of response times, nor any evaluation of the capacity of the numerous volunteer fire departments listed to respond to fire emergencies, and especially their ability to respond to large wildfires. There is reference to the BLM and "other land management agencies." In a rural environment which is prone to serious wildfire events, more detail about the BLM's and other agencies' responsibilities and ability to respond to emergencies should be provided.

Section 4.1.1.1 makes reference to "*Resource quality*....including the local value and importance of a resource" as a measure of impact. Local value and importance does not appear to be used anywhere in Section 4 to evaluate impacts. The value and importance of numerous resources to the occupants and ecosystem of the rural San Pedro River Valley needs to be fully analyzed.

Table 4-5 "Criteria for Assessing Intensity of Impacts to Mineral Resources," lists "Areas with known active mines or mining claims with commercial value" as a measure of high impact. How has information provided in Section 3, which notes the Preferred Alternative crosses 16.4 miles of active mines--been used to correlate to this impact measure? Page 4-38 notes that the Preferred Alternative would restrict access to mines near San Manuel, but this restriction does not seem to be discussed elsewhere, or mitigation measures listed.

Page 4-38 has discussion of 100-year floodplains. Has the 100-year floodplain of all major washes in the Preferred Alternative corridor been mapped, or has 100 year flood plain mapping been limited to the San Pedro River? If washes have not been mapped, information is incomplete as a basis for determining impacts from geological hazards and the full extent of potential soil erosion.

Page 4-48 also has discussion of impacts to soil resources, including prime and unique farmland. Has the USDA concurred by letter with the assessment of impacts and mitigation measures on farmland conversion under the Farmland Protection Policy Act?

All impacts to soils along Subroute 4C2c have unmitigable residual impacts which result in increased erosion. This is unacceptable because of potential increase in adverse effects to water quality in the San Pedro River and other surface watercourses. It also has an incremental increase in PM10 and PM2.5 air quality degradation. Pinal County is nonattainment for PM10. Southern Arizona has experienced a prolonged

drought. How have drought conditions affected soils? Are pre-drought mitigation measures adequate in light of changes to soils and other biotic and abiotic resources?

Section 4.5.3.4 states that Subroute 4C2c has extensive sensitive water resources, yet discussion of mitigation of this potential set of impacts is scanty, despite the conclusion that this Subroute has the "highest residual impact to water resources." This level of impact merits more detailed discussion because of the unique nature of arid region water resources—their scarcity, ecological value, and role in defining a region's landscape. Why was 4C2c selected as the Preferred Alternative with this level of potential impact to water resources?

Section 4.6.2.1 has excellent discussion of the role of biological soil crusts—their vulnerability to damage, and inability to ever recover from damage. This information appears to be disregarded in assessing level of impact and corresponding mitigation measures.

Section 4.6.2.2 accurately states that "impacts of linear features on wildlife are mostly negative and may be difficult to mitigate." Proposed mitigation is not in keeping with the severity of impacts discussed. The impacts of increased recreation which would result from new access into areas used by wildlife are not addressed.

When the San Pedro River Valley is world-renowned for its biological diversity, why was the Preferred Alternative route run through this immensely valuable habitat?

Page 4-68—*Passerines and Other Birds*—needs to add breeding and before nesting in the second line.

Section 4.9.3.4 - Amendment of the RMP to accommodate the SunZia corridor to be compliant with VRM objectives is inappropriate and the equivalent of "spot zoning" to let in an otherwise unacceptable prohibited development. In addition, as noted in a previous comment, the VRM analysis was performed only for BLM lands, so that visual resource impacts on more than 90 percent of the proposed corridor through NRCD administered lands has not been analyzed.

Page 4-191, Subroute 4C2c concludes, "There are no moderate, high-moderate, or high impacts to existing or future land use." This is an erroneous and unsupported conclusion. The NRCDs have adopted land use plans and policies which do not include an industrial scale utility corridor. Impacts to existing land uses would result from increased trespassing, vandalism, and other illegal activities, degraded visual quality, degraded wildlife habitat, and degraded water quality, and increased soil erosion, among other impacts. Completed and planned conservation projects would also be adversely affected within the NRCDs' boundaries.

Future land use options would be compromised. The traditional economic base of the San Pedro River Valley and other lands within the NRCDs is mining and agriculture. Diversification will be essential to maintaining viable economies within the NRCDs.

Agritourism and specialty wood harvesting are examples of diversification which have already occurred. Both of these economic activities depend on a healthy ecosystem and a visually intact rural setting. Future opportunities which expand the nascent ecotourism activity in the region would be compromised and would be inconsistent with the vision for the region developed by the citizens of Pinal County and adopted in the 2009 Pinal County Comprehensive Plan. A balanced discussion of existing and future land use impacts which includes the adopted plans and policies of the NRCDs and of Pinal County should be included in this section.

Possible effects to the proposed new national wildlife refuge on the lower San Pedro River should also be discussed. The refuge has been proposed by the US Fish and Wildlife Service (USFWS) because of the high biodiversity values of the riverine area, which is where four major ecosystems merge. The information provided on the Lower San Pedro River Collaborative Conservation Initiative notes that "the river valley and watershed are threatened," and that "[l]arge infrastructure proposals could degrade habitat quality, increase erosion potential, and bring more water demands to compete with current users." It goes on to explain that "[n]on-native plants and animals compete with native plants and animals, degrade habitat quality, and interfere with productive land uses" ("Lower San Pedro River Collaborative Conservation Initiative: Planning Update #1," USFWS, June, 2012, p.2). The proposed refuge would be two miles wide on each side of the river, and would stretch from The Narrows to Winkelman. The proposed SunZia transmission line would violate this proposed refuge. The adverse impacts of new infrastructure projects noted by the USFWS have not been adequately addressed in the DEIS.

Section 4.12.3.3 - Views from the Rincon Mountain Wilderness Area would be adversely affected. The conclusion that the SunZia transmission corridor would be visible from 17 percent of the wilderness area is the basis for the faulty conclusion that effects would be "minimal."

Section 4.13 - This section contains no discussion of social impacts, only of economic impacts. The impacts to traditional lifeways in rural communities should be addressed, including population decline, introduction of a temporary workforce which would contribute little to the local social or economic fabric, loss of economic vitality because of industrial scale intrusion through the landscape, and other social effects.

Section 4.13.4.4 - This section overstates the likely effectiveness of an on-site Fire Marshall to respond to fire emergency. Expert input from professionals with wildland fire-fighting responsibilities in the region, such as the BLM and US Forest Service, should be solicited and their recommendations included as mitigation measures.

Section 4.13.4.5 - This section does not anticipate effects to recreation and tourism, ranching, or property values. This conclusion is not supported, and the discussion is not sufficiently inclusive. For example, grazing impacts are assessed only for BLM lands, which are a small proportion of the whole corridor on NRCD lands.

Ranching is of more than local importance; it provides essential products to residents of Arizona, and beyond.

Changes to the tourist economy would result from future degradation of the visual quality which is essential to the emerging ecotourism market.

The statement that minimal decline in property values results from transmission line location through an area is not defensible in an area which depends on high scenic quality and an intact natural landscape as the backbone of its present and future economy. The discussion should explain how this statement about property values was arrived at.

Section 4.14 - The entire discussion of Environmental Justice is flawed and permeated with an urban bias. Census tracts are not an appropriate unit of measure in a geographically dispersed but socially closely-connected rural area. A census tract does not define a rural community; a 3 mile distance from the project centerline is an arbitrary distance to determine impacts. An example of the urban bias appears in Table 4-20, which lists High impacts as those resulting in property condemnations which are more likely to occur in urban areas. While this is true, it is inappropriate to displace impacts to rural areas merely to avoid impacts to urban areas. This section places the land values of urban property owners—who are highly transient—above the values of multi-generational rural landowners.

Section 4.14.3.4 - There appears to be a calculation error in Table 4-23 in determining the total population in Pinal County. If Hispanic population is 8,253 and Other minority population is

5,183, total population should be 13,436, not 10,782. This correction would affect the percentage calculations.

Section 4.14.3.6 - The conclusion that there would be no significant impacts to environmental justice populations is unsupported because of the too-narrowly defined criteria for identifying such populations in a rural community.

Section 4.17 - The discussion of Cumulative Effects ignores past and present actions. Lands within the NRCDs have had the effects of more than a century and a half of land-altering activities that have resulted in major effects to almost all regional resources.

The Energy Development Forecast Analysis used in the DEIS bears very little relationship to the only published economic feasibility study for an EHV line in this region, and bears even less relationship with an objective analysis of the most likely generation sources. On page 4-274 are two energy development scenarios that make the assumption that 81% to 94% of the developed energy along the proposed line will be renewable, with the rest being "other existing types of generation facilities". Over a fourth of the Cumulative Effects discussion emerges from this unrealistic energy

development scenario. It is misleading to portray the project as primarily (81 to 94%) a renewable energy project, which is the justification for the SunZia project.

The High Plains Express (HPX) Project Stage 1 Feasibility Study was cited by the local NRCDs in two of their Information Quality submissions to the BLM. This cited document makes the statement, "For this study, the SunZia project was considered to be an integral segment of the HPX Project." The study concluded that the benefit/cost ratios for an EHV line in this region are most favorable with a renewable/fossil resource mix of nearly equal parts, due to the highly variable output of most renewable energy resources in the region. The conclusion was: "A 'balanced' scenario consisting of near equal amounts of fossil and renewable energy performed the best under a range of circumstances."

The two facility scenarios presented by the BLM on page 4-274 bear little relationship to the optimum energy development scenario predicted by the HPX feasibility study, and thus bear very little relationship to what real investors and real regulators would accept as an economically practical energy development scenario. The BLM did not provide a feasibility study that would either support the economic feasibility of the SunZia project or contradict the conclusions of the HPX study. Thus the cumulative effects analysis has no basis in fact to support its justification of the SunZia project. The local NRCDs also cited the "imminently pending" non-renewable energy resources located along the proposed route. These include the planned and permitted 1000 MW Bowie plant, as well as existing natural gas powered plants, located in southern New Mexico and southern Arizona, that cannot expand production without increased transmission capacity. One of the limitations of an EHV line is the high expense of providing "on-ramps and off-ramps" (substations) for transmission access. The proposed SunZia project only has six substations, and three of them are located in the region of the natural gas powered plants. The highest estimate for non-renewable energy development in either of the scenarios presented by the BLM is 580 MW, which is a gross misrepresentation of the probable development of non-renewable energy resources resulting from this proposed increase in transmission capacity. The Bowie plant would contribute 1000 MW on its own.

Since SunZia has not disclosed its "anchor customers", a term used in the 2011 Federal Energy Regulatory Commission (FERC) decision, and since FERC will regulate access for all other generation sources mostly on a first come/first served basis, the BLM is in no position to speculate that only 290 to 580 MW of non-renewable energy would be developed as a result of the proposed transmission project. By grossly underestimating the development of non-renewable resources, the BLM also grossly underestimated their cumulative effects, and appears to have not discussed cumulative effects of new fossil powered generation at all.

This lack of objective analysis is especially evident in the section on Global Climate Change, where the BLM makes the speculative statement that "... construction of either of the proposed options could potentially result in a net decrease in GHG [greenhouse gas] emissions relative to the No Action alternative" (page 4-280). This

assertion by the BLM totally ignores the burgeoning role that natural gas is playing in the expansion of energy resources in the Southwest. The only scenario that has any probability of reducing GHG emissions is one in which no new fossil fuel resources are built and existing ones are replaced by renewable resources. No objective observer would conclude that the SunZia project will accomplish this particular goal. The identical unsubstantiated assumptions about energy development were applied to the SunZia Economic Impact Assessment Supplement on the Impacts of Potential Renewable Generation Facilities, found in Appendix G1. This portion of the SunZia economic benefits study is 121 pages in length, all based upon the unsubstantiated claim that 81% to 94% new energy development along the proposed line would be renewable. Because of the faulty assumption, this study only serves to reinforce a "renewable energy" marketing myth for the project.

The BLM's guidance on cumulative effects analysis ("Example of Cumulative Effects Analysis") has not been followed. An appropriate boundary should be determined for each resource. Normally, this is the watershed in a rural context. It can also be a community or a culturally valued landscape such as the San Pedro River Valley. Migratory wildlife such as birds might require a hemispheric context for appropriate analysis of cumulative effects. A Census tract or an arbitrary 3 mile limit from a centerline are not boundaries consistent with BLM guidance, which suggests numerous appropriate boundaries for resource analysis with emphasis on choosing those that will give the most complete picture of the effects. In the case of the desert tortoise, for example, this could be the entire range of the species, not merely its occurrence within the project area. In the case of the NRCDs, the District boundaries are appropriate because adopted plans and policies apply to all lands within the Districts.

Time frames for the duration of effects are scantily noted throughout the discussion.

Once the line is in place it will encourage further development. An adequate discussion of the cumulative effects likely to occur in the future as a result of the preferred alternative needs to be expanded to include, at the least, the effects of the power line on wildfire threats, urbanization, severe loss of riparian habitat, and groundwater overdraft.

Reasonably foreseeable actions should consider known opportunities and trends. The opportunities and trends for expanded tourism which requires intact ecosystems and high visual quality on lands administered by the NRCDs has not been considered.

Table 4-31, "Present, Future, and Reasonably Foreseeable Future Renewable Energy Projects" lists projects in Arizona with a collective total of only 50 MW of solar energy production, and only one wind energy project of unknown power production. These projects are not in the vicinity of the SunZia project. With such low production foreseeable, what is the need for the SunZia pair of 500 kV transmission lines, unless undisclosed non-renewable projects will make up the bulk of energy wheeled by SunZia? If non-renewable energy is going to be developed, as it is logical to conclude given the capacity of the proposed SunZia transmission lines, this too should be discussed in the

cumulative effects. Further, the financial feasibility of the SunZia project should be addressed in the context of the renewable/non-renewable energy production which would be wheeled to give a clear picture of the cumulative effects of future and foreseeable energy development. If the proposed Southline Transmission Project is approved, what would be the effect on the number of 500kV lines the SunZia project would have?

Figure 4-3, "Qualified Resource Areas for Solar," has none in the vicinity of Subroute 4C2c. The area demarcated AZ-SO is west of Tucson and Eloy; a short transmission line from the AZ-SO QRA would be adequate to wheel power from this zone to the Pinal Central Substation, eliminating need for transmission lines through the San Pedro River Valley and other lands administered by the NRCDs. This would also be compatible with the Districts' suggestion of placing the line along I-10.

4.17.4.6 - The appropriate cumulative effects area for consideration of wildlife resources should be, at the least, the watershed and not the arbitrary limit of 4 miles each side of the SunZia corridor. The middle and lower San Pedro River Valley migratory bird corridor is unnecessarily restricted as the area of effect, when cumulative impacts to migratory birds will occur throughout the Southwest and beyond. When the SunZia corridor would impact Southwest Desert Willow flycatcher habitat, why is it the Preferred Alternative? Similarly, why was the Preferred Alternative selected when it could affect the Sonoran Desert Tortoise population in the San Pedro River Valley?

The discussion under *Construction* is good and notes the potential adverse effects of ground disturbance on invasive plants and erosion. However, mitigation does not seem commensurate with the level of effects, especially residual effects.

4.17.4.9 - This section accurately predicts the conversion of natural landscapes to industrial landscapes. Nonetheless, the severity of these effects in the context of the San Pedro River Valley is not adequately discussed, nor are mitigation measures in proportion, especially considering that the analysis is only for the small percentage of BLM lands which would be impacted by the SunZia project. A suggested mitigation is co-location of facilities and shared access. This does not carry the thought to its conclusion, that co-location doubles up on the effects because the SunZia corridor would in effect be growth inducing and attract additional development with increased impacts to resources. This should be discussed in the cumulative effects section. If the SunZia project is approved, there would be an EIS to tier off of. This cost-saving tiering for NEPA compliance would be an inducement for additional utilities to co-locate in the SunZia corridor.

Page 4-312 - Discussion of agricultural impacts notes loss of permitted grazing and reduction of agricultural production. The conclusion that this would not be significant is based on a regional context. This is an inappropriate resource boundary. Impacts to local agricultural producers should be analyzed.

There is also discussion of increased roads opening new access to OHV use. The discussion under *Construction* should be expanded to include effects to existing roads

such as pavement deterioration or rutting and erosion of unpaved roads (such as Redington Road) which would be subject to increased traffic and transport of heavy loads. Effects of required road reconstruction are not addressed.

There appears to be no discussion of traffic conditions, road networks or impacts to traffic or roads. This should be added as a separate section for analysis.

Section 4.17.4.13 - There is no discussion of the cumulative effects on existing ecotourism such as birding, wilderness use, hiking, and scenic drives, or future ecotourism which is an economic goal specified in the Pinal County Comprehensive Plan. This economic opportunity would be adversely affected by degradation of local quality of life and natural resources/biodiversity at the ecosystem level.

Section 4.17.5 - The cumulative effects of proposed RMP amendments cannot accurately be assessed when the baseline conditions detailed in the RMP are more than 20 years old.

Section 4.18.1.2 - *Soil Resources* concludes that there would be direct and indirect impacts to soil resources if the RMP is amended to allow a corridor in a designated avoidance area. Why has the Preferred Alternative been located on soils which will be impacted adversely? Slope is not adequately analyzed. The Preferred Alternative is on much steeper terrain, with greater potential for erosion, than other alternatives.

Section 4.18.1.4 - The San Pedro River crossing should be discussed specifically.

Section 4.18.1.7 - This section continues the very generalized discussion of visual effects to historic landscapes. A detailed discussion of historic landscapes and culturally valued landscapes in the San Pedro River Valley should be added. Moreover, the potential ecotourism and scientific importance of the cultural resource context of the San Pedro River Valley is inadequately discussed. It has a high value because of numerous sites which provide evidence of prehistoric occupation, such as the numerous mammoth kill sites. It also has high value because it is a relatively undisturbed landscape which still conveys, in large measure, a sense of place in which prehistoric and historic human activities occurred.

Section 4.18.1.12 - Discussion of potential (temporary) job creation should be balanced by discussion of permanent loss of tourism potential through landscape and resource degradation.

Section 4.18.1.13 - Whether or not a place contains residences is not the appropriate measure of environmental justice impacts. Rural occupants can be affected by regional-scale impacts to quality of life, and from incremental additional impacts to existing conditions.

Section 1.7 Government to Government and Section 5.3 Consultation and Coordination is inadequate in describing the coordination efforts initiated by the Redington and Winkelman NRCD's. Not only are record of those coordination efforts absent from the DEIS under these sections, the Districts have record of the BLM stating a refusal to coordinate critical issues and inconsistencies.

The FLPMA mandates that BLM coordinate administration of public lands with the land use planning and management of local governments within which such lands are located. This statutory mandate is detailed and explicit. The SunZia Project must attempt consistency with the local policies and plans. The specific directive is that "land use plans must be consistent with State and local plans to the maximum extent." See 43 USC § 1712.

Pursuant to 43 CFR § 1610.3-1(a), BLM must assure coordination with local governments. That regulation requires BLM to follow a specific administrative process and BLM must:

1. Keep apprised of non-Bureau of Land Management plans;
2. Assure that BLM considers those plans that are germane in the development of resource management plans for public land;
3. Assist in resolving, to the extent practicable, inconsistencies between Federal and non-Federal government plans; and
4. Provide for meaningful public involvement of other Federal agencies, State and local government officials, both elected and appointed, and federally recognized Indian tribes, in the development of resource management plans, including early public notice of final decisions that may have a significant impact on non-Federal lands.

The Districts have advised BLM at District-initiated coordination meetings and in writing that there are specific inconsistencies with the SunZia Group 4 Alternatives, and District policies and purposes. Once having been advised of the specific inconsistencies, BLM must address those inconsistencies and wherever possible, attempt to resolve them. The DEIS must identify and resolve those inconsistencies, which it has not done. The preferred alternative was not provided as an alternative to the Districts before the release of the DEIS. The Districts have not had the opportunity to meet with the BLM for a consistency review with the agency.

43 CFR § 1610.3.2 mandates that the SunZia Project must be consistent with adopted resource related policies and programs of the Districts. Indeed, if there are any inconsistencies between the federal and local plans and policies, the Districts must be kept apprised of any such inconsistencies. In short, the responsible officer of BLM must comply with the requirement to work towards consistency of the Federal plans, mission statements and policies of the Districts through the coordination process. The administrative requirements are clear and the SunZia Project must conform to these regulations.

- (a) Guidance and resource management plans and amendments to management framework plans shall be consistent with officially approved or adopted resource related plans, and the policies and programs contained therein,

of other Federal agencies, State and local governments and Indian tribes, so long as the guidance and resource management plans are also consistent with the purposes, policies and programs of Federal laws and regulations applicable to public lands, including Federal and State pollution control laws as implemented by applicable Federal and State air, water, noise, and other pollution standards or implementation plans.

(b) In the absence of officially approved or adopted resource-related plans of other Federal agencies, State and local governments and Indian tribes, guidance and resource management plans shall, to the maximum extent practical, be consistent with officially approved and adopted resource related policies and programs of other Federal agencies, State and local governments and Indian tribes. Such consistency will be accomplished so long as the guidance and resource management plans are consistent with the policies, programs and provisions of Federal laws and regulations applicable to public lands . . . (43 CFR § 1610.3-2 Consistency Requirements).

BLM should not be able to circumvent or curtail the required coordination with the Districts. BLM is required to integrate the NEPA process into "early planning" and FLPMA reasonably requires that the EIS be submitted to the Districts for review and identification of inconsistencies before the document is released for public review. 40 CFR § 1500.5. BLM has ignored this requirement and has ignored the requirement that BLM coordinate with the state and local agencies to the fullest extent possible to reduce duplication between NEPA and comparable state and local requirements. 40 CFR § 1506.2(b)(c). This mandate of coordination has been violated by BLM. This fundamental failure and deficiency could only be remedied if BLM coordinates the local policies and plans of Winkelman NRC and Redington NRCs with the SunZia Project. Therefore, any final EIS must be held in abeyance until there is compliance with these regulatory requirements.

BLM IS CONTRACTUALLY OBLIGATED TO COORDINATE THE SUNZIA TRANSMISSION LINE PROJECT WITH THE DISTRICTS

The State of Arizona has a strong public policy to provide for the restoration and conservation of its lands and resources, and the preservation of water rights and control and prevention of soil erosion. Ariz. Rev. Stat. Ann. § 33-1001. The Districts are political subdivisions in the State of Arizona created and existing pursuant to the Arizona Constitution, Article XIII, § 7 and Ariz. Rev. Stat. Ann. § 37-1001, *et seq.* As political subdivisions of the State, the Districts have a broad mandate to provide and care for the conservation of lands and resources within their respective jurisdictions and are delegated political subdivisions and local entities which carry out the State's resource conservation policy.

The Districts have pre-existing mission statements, policies and plans for resource management to conserve natural resources, fish and wildlife and their habitat, rivers and

streams and associated riparian habitats in such a manner as to protect and promote the public health, safety and general welfare of the people. The Districts have carefully constructed and balanced principles regarding the land use, planning and resource management in their respective jurisdictions in order to carry out the overall State of Arizona policy of resource conservation and management. To the extent that BLM's NEPA process is inconsistent with or adverse to these principles, conflicts and inconsistencies arise with the Districts' local plans. Such issues must be resolved by BLM through the mandate of coordination of land and resource planning efforts with those vital interests of the Districts.

Not only is BLM obligated to coordinate the SunZia Project with the Districts mandated by federal policy, laws and regulations, but also there is a specific contractual obligation to do so. BLM is contractually obligated to coordinate the SunZia Transmission Line Project and impacts of that Project on the Districts' resources and the Districts' local plans. These contractual obligations arise under the BLM's 1997-1998 Memorandum of Understanding with the State of Arizona ("Arizona MOU, Exhibit 1") and Winkelman NRCDC's Memorandum of Understanding ("Winkelman MOU, Exhibit 2"). The obligations placed on the BLM to coordinate are concise, direct and contractually enforceable by the very terms of those MOU's. The Arizona MOU specifically authorizes the Districts to initiate this request at any time to coordinate such resource management. (Arizona MOU, § G-1). The Winkelman MOU specifically provides:

II. Policy.

It is the joint objective of all parties (BLM and Winkelman NRCDC) to develop, coordinate and initiate resource conservation programs and to promote proper utilization and development of all lands subject to the respective jurisdictions of each.

The obligation to coordinate with the Winkelman NRCDC is found throughout the Winkelman MOU. The very purpose of the Winkelman MOU is for BLM to coordinate the resource planning management and educational activities with that District.

A request for coordinated resource management plan can be initiated at any time by a resource management agency, a Conservation District . . . (Arizona MOU, § G-1)

Pursuant to that Arizona MOU, the Districts hereby request that the coordination process be undertaken in a meaningful way to deal with the multiple issues raised by the Districts prior to the issuance of a FEIS. BLM entered into the Winkelman and Arizona MOU's in order to coordinate local resource planning and management activities. This obligation is enforceable in a court of law.

BLM has wrongfully taken a contrary position and has refused to coordinate critical issues with the Districts, notwithstanding BLM's obligation to do so. At the joint June 14, 2011 meeting in San Manuel, Arizona between BLM, WNRCD and RNRCD,

Mr. James Kenna rejected the request to coordinate.

Transcript of Minutes of June 14, 2011 Meeting, pg. 7 (Exhibit 3):

B.Dunn: Well, you know under FLPMA, coordinating local government has a, a higher plane than either one of those, as far as you're responsibilities to 'em. And, and that's been our argument all along.

J.Kenna: Well, I understand that. And I did run it by the solicitors, including the national solicitor, and I think their feeling is, it's a misinterpretation of case law.

Throughout the process, BLM staff was directed *not* to coordinate inconsistencies with the Districts. The actions and decisions by BLM are reflective of that negative approach. BLM officials refused also to present to the Districts the solicitor's opinion in writing. Throughout the process, BLM only gave lip service to the interests and concerns of the Districts but chose not to even identify, address or attempt to resolve the issues and concerns.

Even though BLM gave assurances that the Districts' issues and impacts would be entered into the DEIS, it failed to do so.

Transcript of Minutes of July 12, 2011 Meeting, pg. 13 (Exhibit 4)

B.Bellew: You wouldn't, that's, I mean that's, I mean case in point, we just finished this over with Catron County, and they were cooperators throughout on the Land Use Plans for Socorro. Any what, back to where we mentioned earlier, the biggest thing is that the information that you have, that's entered into the document, and you have the assurance that it has, that's going to get entered into the document. The problem we're getting into right now is, since we, BLM doesn't recognize coordinating status within, NEPA planning, we don't, we're hit a certain point where we would be giving this body more information than our general public would be getting and that's not a good situation.

Transcript of Minutes of July 12, 2011 Meeting, pg. 16 (Exhibit 4)

G. Vinson: So you've read that. So how come in the records, they do say, in stuff that says, are you going to coordinate with us, and they say yes. But you guys keep telling us you cannot.

M. Warren: Well, I know that the State Director took it up to DC and it, and they're saying, no.

- (multiple speakers) Ok.
(multiple speakers) Well
- M. Warren: (multiple speakers) So I'm saying to you, I'm saying to you, in good faith, I'm saying to you.
(multiple speakers) Your boss said no.
- G. Vinson: (multiple speakers, laughter) Yeah, basically yes. We know you're the messen-, well, you know . .

In the DEIS, BLM selected Subroute 4C2c (Subroute) as part of the new preferred alternative routing. That Subroute cuts through the heart of the Districts and unnecessarily parallels the San Pedro River for 45 miles adversely affecting perennial feeder streams with increased significant impacts. This Subroute was a complete surprise not contemplated by the Districts because the impacts were too far reaching and too serious. There was no purpose or realistic opportunity for the Districts to consider and analyze the impacts of the new Subroute.

Transcript of Minutes of June 14, 2011 Meeting, pg. 20: (Exhibit 3)

- A. Smallhouse: Will you share that with us before it comes up in an EIS or will you share the EIS with us before, excuse me, before the plan, before it's given to the public?
- J. Kenna: Yeah, we'll figure out a way to get this done, one way or another, and, that's people are chafing at you know, which option is going to get picked, but regardless of how whether you want to become a cooperating agency or not, I am going to ask these guys to come back and talk to you before we release the DEIS and at that point, we should have enough data on questions like that, about exactly how they are treated, and we can just resolve that.

While the Districts were undertaking their due diligence in providing specific inconsistencies and conflicts, these comments could only be provided based on the level of details shared by BLM which was at a minimum and non-existent with respect to the Subroute.

Not only because the law requires, but also because of the commitments made directly to the Districts by BLM, BLM should have provided draft documents and meaningful information regarding the impacts on the Districts. The Districts should have been provided substantive detail relating to the Subroute prior to the issuance of the DEIS. ***This was not done.*** Moreover, there was no coordination or even attempted coordination by BLM with the Districts relating to this new Subroute.

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Not only because the law requires, but also because of the commitments made directly to the Districts by BLM, BLM should have provided draft documents and meaningful information regarding the impacts on the Districts. The Districts should have been provided substantive detail relating to the Subroute prior to the issuance of the DEIS. ***This was not done.*** Moreover, there was no coordination or even attempted coordination by BLM with the Districts relating to this new Subroute.

BLM must coordinate the following specific resource management issues:

1. Effects on, and alteration of, the San Pedro River watershed and negative impacts on critical areas;
2. Effects to wildlife habitat areas, plants and animal species and to special status species;
3. Effects on cultural resources and archaeological sites and on historic landscapes;
4. Effects to visual resources and existing viewsheds;
5. Conflicts with current land use plans and policies of the Districts and other local plans;
6. Impacts on wilderness areas and other special management areas;
7. Effects on rural lifestyle and socio-economic conditions and environmental justice;
8. A need for avoidance of sensitive areas;
9. Inputs to proposed changes to the Safford and Tucson Resource Management Plans;
10. Location of the SunZia Transmission Line corridor because the Preferred Alternative route requires an amendment to BLM's own Safford and Tucson Resource Management Plans;
11. Cumulative effects on resources and environment;
12. Impacts on critical areas of concern and avoidance of other sensitive areas; and
13. Impacts to mitigation properties, resources, values, ESA species and special status species, and investments.

We note with interest that applicant's June 13, 2012 letter from Mr. Tom Wray, the SunZia Project's Manager, to Mr. Adrian Garcia, BLM Project Manager, raises many of the same concerns and impacts as the Districts do. The applicant has identified negative impacts with significant damage to the environment of the Preferred Alternative Subroute 4C2c. That letter also acknowledges what the Districts have been saying throughout this process, that the San Pedro River watershed and the Districts are within a unique riparian habitat. The applicant concludes "such damage will be difficult to mitigate," letter page 2, ¶ 1. The Districts generally concur in Mr. Wray's assessment that impacts may be impossible to mitigate.

mitigate," letter page 2, ¶ 1. The Districts generally concur in Mr. Wray's assessment that impacts may be impossible to mitigate.

The DEIS has failed to identify the specific impacts to the Districts. Therefore, the impacts and damages have not been addressed or resolved.

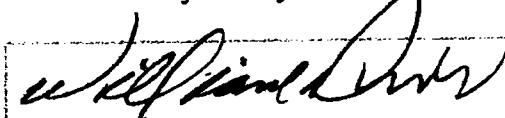
ACTIONS REQUESTED

Accordingly, the Districts hereby request that BLM undertake meaningful coordination steps to identify, discuss, resolve inconsistencies and conflicts, address those inconsistencies and conflicts and propose resolution of those issues or alternatives to resolve those issues. Specifically, the Districts demand that:

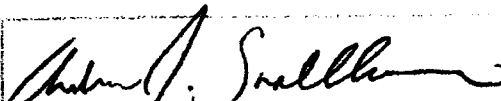
- (i) BLM must vacate the current August 22, 2012 DEIS comment period and reset it at some future date;
- (ii) BLM must coordinate all of the above-identified issues with the Districts;
- (iii) BLM must address and resolve the inconsistencies and conflicts with the Districts' plans in a Revised Draft Environmental Impact Statement ("RDEIS");
- (iv) BLM must address and resolve the issues raised by the applicant in the RDEIS; and
- (v) BLM must not issue a FEIS until there has been full coordination of all issues with the Districts and the impacts and damages are addressed and resolved.

The Districts are looking forward to hearing from BLM and its senior representatives to undertake good faith coordination issues with the Districts and suspend the current administrative process until the foregoing demands are complied with.

Thank you for your consideration of these comments,



William Dunn, Chairman
Winkelman Natural Resource
Conservation District
P.O. Box 68
Mammoth, AZ 85618

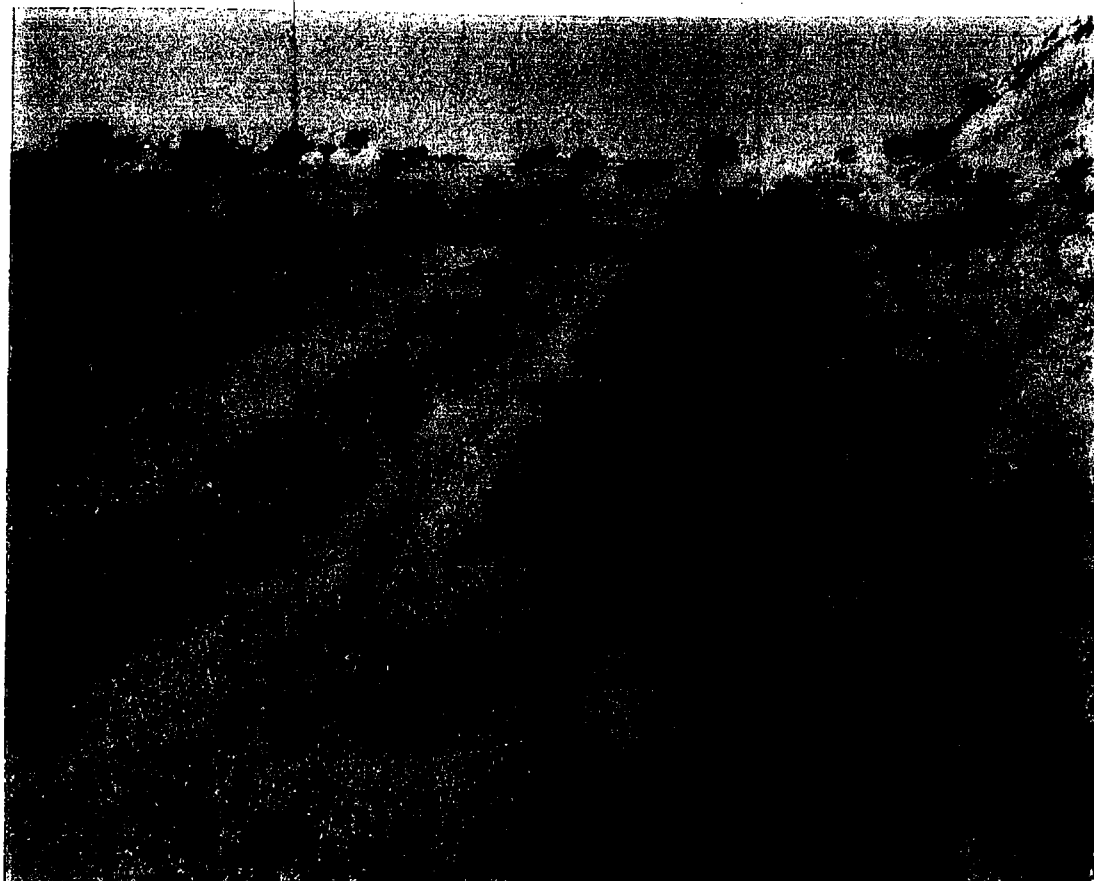


Andrew Smallhouse, Chairman
Redington Natural Resource
Conservation District
P.O. Box 585
San Manuel, AZ 85631

REDINGTON NRCD
Docket Number L-00000YY-15-0318-00171



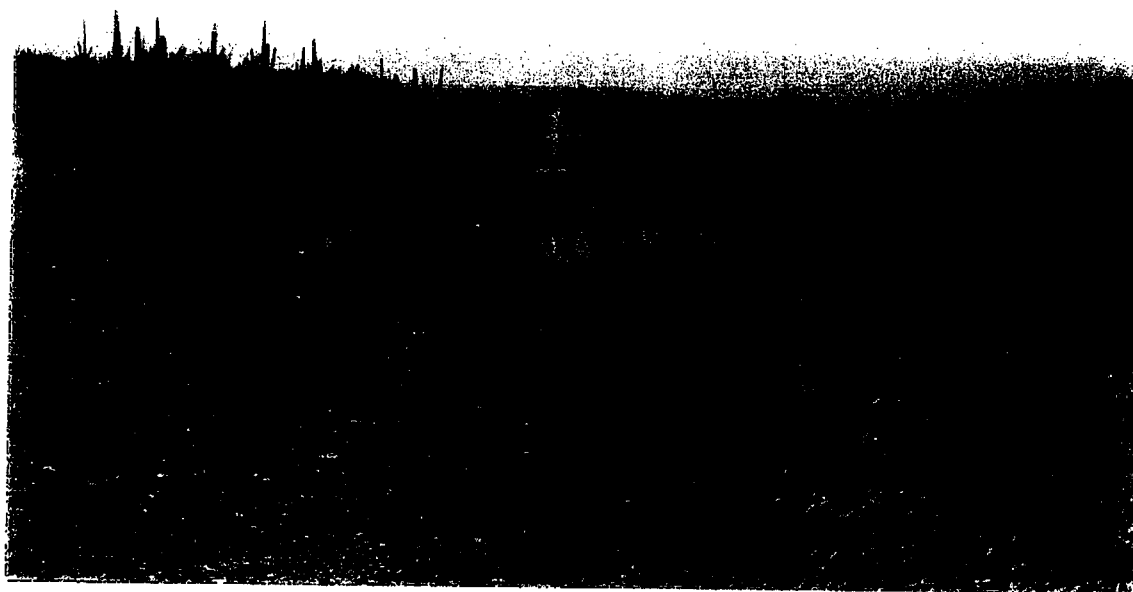
Exhibit RED16



Pipeline Road Erosion issues.











Biography

William Dunn, Chairman Winkelman NRCD

B.S. Management A.S.U

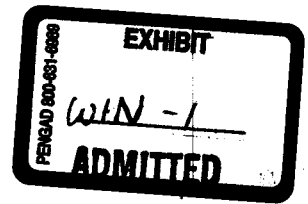
45 years of management experience, owner Dunn Ranches, Kearny, Az

40 years of natural resource management in the Winkelman District

12 years owner/operator, General Kearny Inn, Kearny, Az

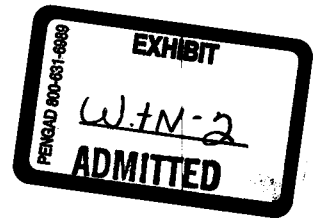
President of the Arizona Association of Conservation Districts

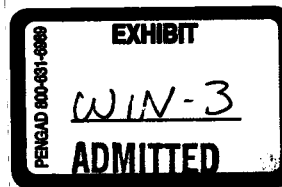
Board member, Arizona Cattle Growers Association



Districts as Political Subdivisions**Irrigation and other districts as political subdivisions**

Irrigation, power, electrical, agricultural improvement, drainage, and flood control districts, and tax levying public improvement districts, now or hereafter organized pursuant to law, shall be political subdivisions of the state, and vested with all the rights, privileges and benefits, and entitled to the immunities and exemptions granted municipalities and political subdivisions under this constitution or any law of the state or of the United States; but all such districts shall be exempt from the provisions of sections 7 and 8 of article IX of this constitution.





Statutory Responsibilities regarding conservation of lands, soils, water, wild life and habitat areas, and dealing with State agencies regarding development, coordination relating to resource conservation programs and proper utilization of lands.

A.R.S. §37-1001. Declaration of policy

It is declared the policy of the legislature to provide for the restoration and conservation of lands and soil resources of the state, the preservation of water rights and the control and prevention of soil erosion, and thereby to conserve natural resources, conserve wildlife, protect the tax base, protect public lands and protect and restore this state's rivers and streams and associated riparian habitats, including fish and wildlife resources that are dependent on those habitats, and in such manner to protect and promote the public health, safety and general welfare of the people.

A.R.S. §37-1053. Powers and duties of supervisors

A. The supervisors shall:

1. Provide for the keeping of a record of all proceedings, resolutions, regulations and orders issued or adopted.
2. Furnish to the commissioner copies of such ordinances, rules, regulations, orders, contracts, forms or other documents adopted or employed, audits of the district or education center and such information concerning their activities as the commissioner requests.

B. The supervisors may appoint additional advisory members to the district governing body and delegate to the chairman or any member, or to any agent or employee, such powers and duties as they deem proper.

C. District supervisors shall require and provide for the execution of a corporate surety bond in suitable penal sum for, and to cover, any person entrusted with the care or disposition of district funds or property.

D. The compensation of the district supervisors shall be determined by the supervisors meeting as the governing body of the district but shall not exceed the compensation prescribed by section 38611, plus actual and necessary expenses of attending district meetings, and a per diem subsistence allowance and actual and necessary expenses while engaged in official business by order of the supervisors.

A.R.S. §37-1054 Powers of district

A. This state recognizes the special expertise of the districts in the fields of land, soil, water and natural resources management within the boundaries of the district. A district is empowered to:

1. Conduct surveys, investigations and research relating to the character of the soil, soil erosion prevention within a farm or ranch, methods of cultivation, farm and range practices, seeding, eradication of noxious growths and any other measures that will aid farm and range operations, disseminate information pertaining thereto, and carry on research programs with or without the cooperation of this state or its agencies or the United States or its agencies.
2. Conduct demonstration projects within the district on lands owned or controlled by the state or any of its agencies with the consent and cooperation of the agency having

jurisdiction of the land, and on any other lands within the district on obtaining the consent of the landowner or the necessary rights or interests in the land, in order to demonstrate by example the means, methods and measures by which water, soil and soil resources may be conserved and soil erosion and soil washing may be prevented and controlled.

3. Cooperate and enter into agreements with a landowner, an operator or any agency or subdivision of the state or federal government to carry on programs of watershed improvement, soil erosion prevention, methods of cultivation, cropping practices, land leveling and improvement on agricultural lands, and programs limited to methods of proper range use, reseeding and the eradication of noxious growth on grazing lands, all within the limits of an individual farm or ranch and subject to the conditions the supervisors deem necessary.

4. Acquire, by purchase, exchange, lease or otherwise, any property, real or personal, or rights or interest in any property, maintain, administer and improve any properties acquired, receive income from any property or right or interest in property and expend it in carrying out the purposes of this chapter, and sell, lease or otherwise dispose of any property or interest in property in furtherance of the purposes of this chapter.

5. Make available, on the terms it prescribes to landowners within the district, agricultural and engineering machinery and equipment, fertilizer, seed and other material or equipment as will assist the landowners to carry on operations on their lands for the purposes and programs authorized by this chapter.

6. Develop, publish and bring to the attention of landowners within the district comprehensive plans for the conservation of soil and water resources within the district that specify in such detail as may be feasible the acts, procedures, performances and avoidances necessary or desirable for the effectuation of the plans.

7. Apply for, receive and spend monies from the Arizona water protection fund pursuant to title 45, chapter 12 to be used in individual districts or in cooperation with other districts, persons, cities, towns, counties, special districts and Indian communities for projects consistent with title 45, chapter 12.

8. Employ agents, engineers, attorneys or other employees not readily available from existing state agencies.

9. Sue and be sued in the name of the district, have a seal, which shall be judicially noticed, have perpetual succession unless terminated as provided in this chapter, may make and execute contracts and other instruments necessary or convenient to the exercise of its powers and make, amend and repeal rules not inconsistent with this chapter to carry into effect its purposes and powers.

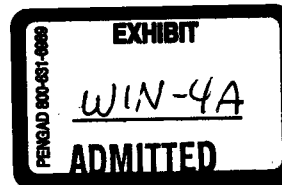
10. Accept donations, gifts and contributions in money, services, materials or otherwise, and use or expend them in carrying on its operations.

11. Organize and establish an education center.

B. No provision of law with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to a district organized under this chapter unless specifically stated therein.

C. After the formation of any district under this chapter, all participation there under shall be voluntary, notwithstanding any provision of this chapter to the contrary.

D. A district may send to the Arizona water protection fund commission established by title 45, chapter 12 written recommendations for geographic areas to be emphasized, issues of concern and measures to implement title 45, chapter 12. A district that sends



A Brief History of the Natural Resource Conservation Service

With the election of Franklin D. Roosevelt as President in 1932, conservation of soil and water resources became a national priority in the New Deal administration. The National Industrial Recovery Act (P.L. 73-67) passed in June 1933 included funds to fight soil erosion. With this money, the Soil Erosion Service (SES) was established in the Department of Interior with Hugh Bennett as Chief in September 1933. SES established demonstration projects in critically eroded areas across the country to show landowners the benefits of conservation.

Perhaps no event did more to emphasize the severity of the erosion crisis in the popular imagination than the Dust Bowl. Beginning in 1932, persistent drought conditions on the Great Plains caused widespread crop failures and exposed the region's soil to blowing wind. A large dust storm on May 11, 1934 swept fine soil particles over Washington, D.C. and three hundred miles out into the Atlantic Ocean. More intense and frequent storms swept the Plains in 1935. On March 6 and again on March 21, dust clouds passed over Washington and darkened the sky just as Congress commenced hearings on a proposed soil conservation law. Bennett seized the opportunity to explain the cause of the storms and to offer a solution. He penned editorials and testified to Congress urging for the creation of a permanent soil conservation agency. The result was the Soil Conservation Act (PL 74-46), which President Roosevelt signed on April 27, 1935, creating the Soil Conservation Service (SCS) in the USDA.

After 1935, SCS expanded its soil conservation program nationwide with a several-fold increase in the number of demonstration projects. Labor provided by the Civilian Conservation Corps (CCC), the Civil Works Administration (CWA), and the Works Progress Administration (WPA) supported this work. SCS's technical experts worked to advance scientific understanding of erosion processes and to develop effective conservation practices. SCS's network of regional nurseries selected and increased the seeds and plants necessary for conservation work.

In 1936, the agency assumed responsibility for performing surveys and devising flood control plans for selected watersheds under the authority of the Flood Control Act of 1936 (P.L. 74-738). In 1938, in a major reorganization of USDA's land management program, the Secretary of Agriculture made SCS responsible for administering the Department's drainage and irrigation assistance programs, the snow survey and water supply forecasting program, as well as the Water Facilities, Land Utilization, and Farm Forestry programs. The addition of these responsibilities made SCS the USDA's lead private lands conservation agency.

As early as 1935 USDA managers began to search for ways to extend conservation assistance to more farmers. They believed the solution was to establish democratically organized soil conservation districts to lead the conservation planning effort at the local level. To create a framework for cooperation, USDA drafted the Standard State Soil Conservation Districts Law, which President Roosevelt sent to the governors of all the states in 1937. The first soil conservation district was organized in the Brown Creek watershed of North Carolina on August 4, 1937. Today, there over three thousand conservation districts across the country.

The decade after World War II was a time of growth for SCS. Congress increased appropriations for soil conservation programs. The Secretary made SCS the lead agency responsible for technical oversight of the "permanent" type conservation measures installed with cost-share funds under the Agricultural Conservation Program (ACP). During this time the number of soil conservation districts continued to increase, as did the number of cooperators working with SCS to develop conservation plans for their farms.

Arizona's Natural Resource Conservation Districts

Arizona passed its Conservation District Law in 1941. That legislation described its mission as follows: "It is declared the policy of the legislature to provide for the restoration and conservation of lands and soil resources of the state, the preservation of water rights and the control and prevention of soil erosion, and thereby to conserve natural resources, conserve wildlife, protect the tax base, protect public lands and protect and restore this state's rivers and streams and associated riparian habitats, including fish and wildlife resources that are dependent on those habitats, and in such manner to protect and promote the public health, safety and general welfare of the

people". Now, there are 41 districts in Arizona. Of the 41, 9 are Soil and Water Conservation Districts. (Administered under tribal law). NRCDs are political subdivisions of state government and are administered under state law through the Arizona State Land Department. However, districts operate independently of the State Land Department.

Winkelman Natural Resource Conservation District

The Winkelman Natural Resource Conservation District (WNRCD) was organized and became functional under the State of Arizona Soil Conservation District Law in October 1948. The Winkelman NRCD now includes approximately 1,609,470 acres, less than 1,500 acres is irrigated farmland. The remaining acres not within towns, cities or mine lands are rangeland. Residential areas include Oracle, San Manuel, Mammoth, Dudleyville, Winkelman, Kearny, and a small part of Catalina.

The stated goal of the Winkelman NRCD is "to support and encourage the proper and wise sustained use and management of our basic renewable and non-renewable natural resources utilizing sound science and valid on-ground experience."

The District is currently applying for grants offered by BLM & NRCS (RCPP). These grants would be used to restore native habitat (remove invasive plant species), protect endangered animals, reduce flooding, and improve water quality and quantity.

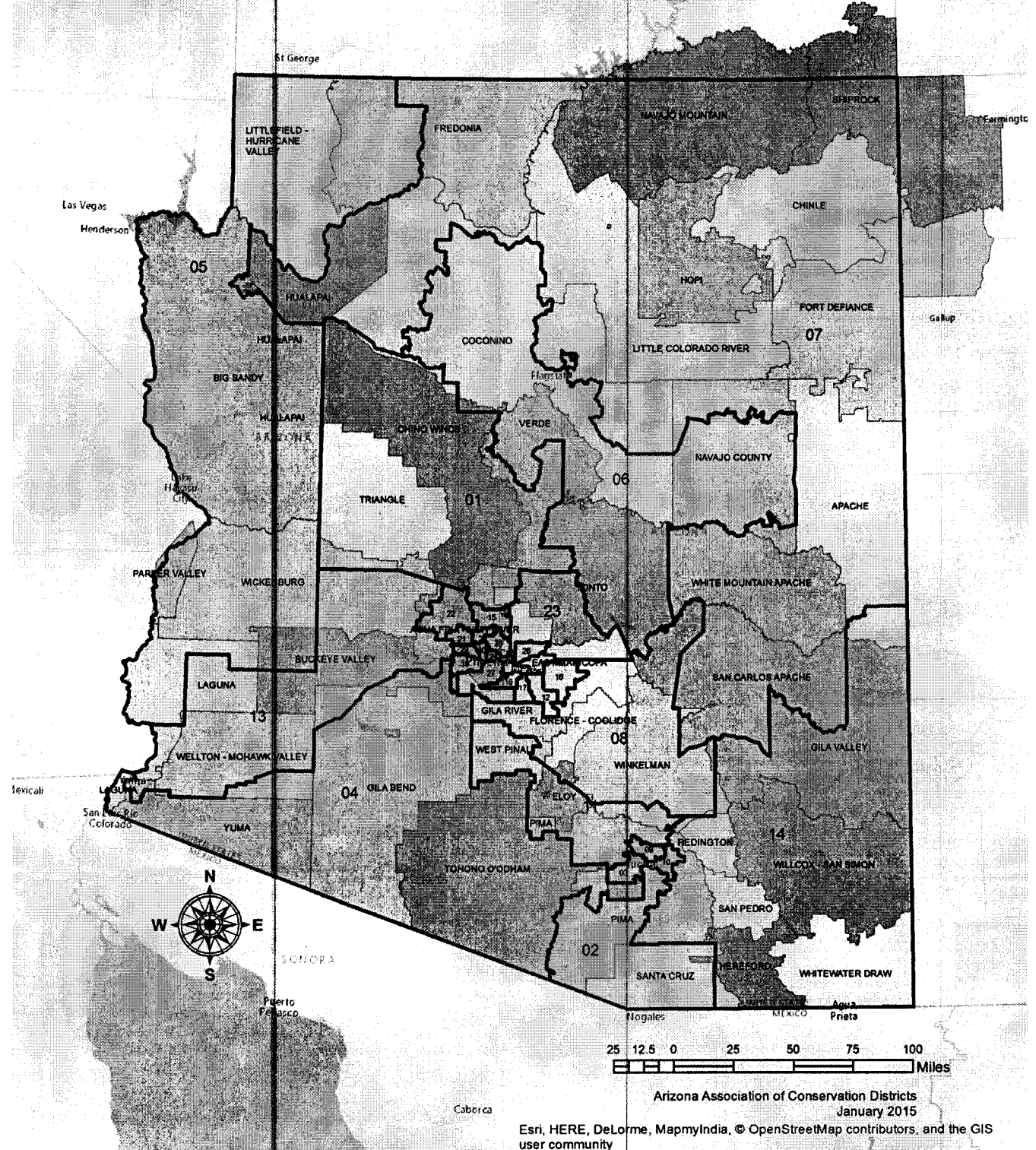
The District provides leadership to promote good management of the natural resources of the district through coordination, conservation and development programs resulting in the wise use of lands within the district. Land ownership is a combination of private, state, and federal lands. Land uses other than agriculture in the district include mining, recreation, urban areas, and preserves. Two major mining activities lie within the district, as well as two gypsum mines, and various sand and gravel operations. Recreation involves hunting, fishing, hiking, off-highway vehicular use, bird watching, camping, and sightseeing. Portions of the Tonto and Coronado National Forests lie within the district boundaries. The district also has Bureau of Land Management Lands (BLM), Arizona State Trust Lands (ASLD) and private lands.

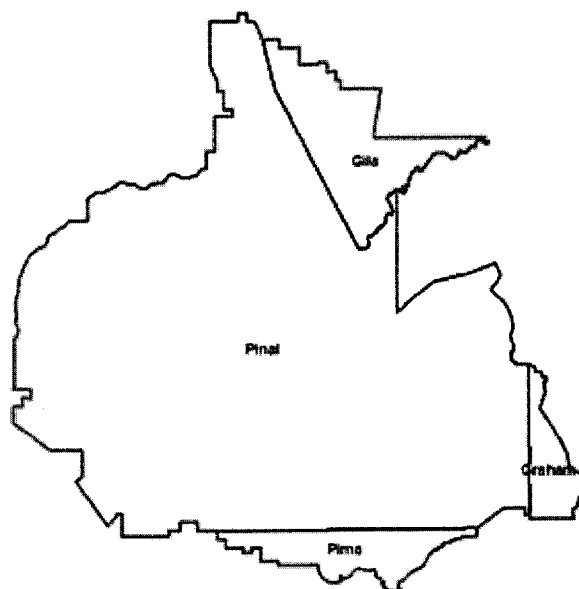
The Winkelman NRCD is located in the eastern part of Pinal County, the southwest corner of Gila County, a small area in the southwest corner of Graham County, and a small area in northeast Pima County. In the north lies the Pinal Mountains, to the east are the Galiuro Mountains, to the south are the Catalina Mountains, and to the west lies the desert land near Picacho Reservoir. Substantial portions of two of Arizona's major rivers, the San Pedro and the Gila, wind through the district.

As in other districts, the WNRCD has five supervisors, three of which are elected and two appointed by the State Land Commissioner. The current supervisors of the Winkelman NRCD are William Dunn, Francie Meyer, Gary Vinson, Carol DuBois, and Stephen Turcotte. All district supervisors are unpaid volunteers. Likewise, all cooperation with the district is strictly voluntary.

See maps on the next 2 pages.

Arizona's Conservation Districts and Legislative Districts





WNRCD counties

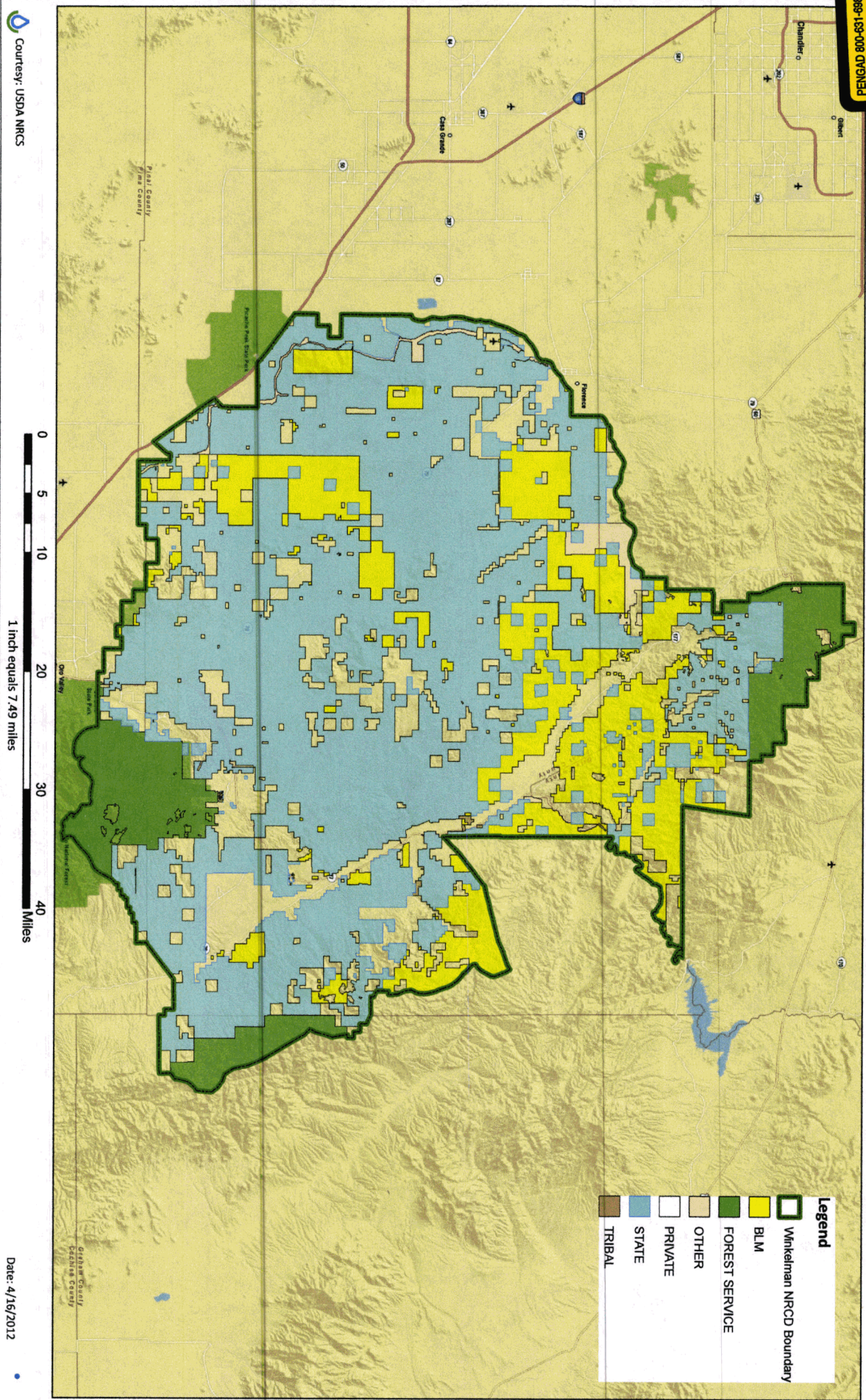
Winkelman NRCD Land Units Map

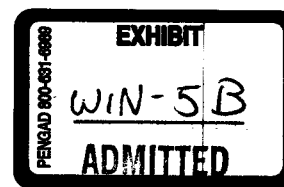


EXHIBIT
WIN-SA
 ADMITTED
 888-1-83-008 (VANG)

Docket Number
 L-00000YY-15-0318-00171
 Win 05A Ownership

**Winkelman NRCD
 Ownership Map**



Land Percentages Breakdown**Agency Land Ownership/Field Office
BLM 270,709 acreage 17% of WNRCD**

Tucson	241,108	89%
Safford	29,601	11%

Forest Service 147,674 acreage 8% of WNRCD

Tucson	65,391	44%
Safford	24,659	17%
Globe	57,624	39%

State Land 904,998 acreage 56% of WNRCD

Phoenix	244,302	27%
Tucson	660,696	73%

Data Source: ArcMap Map Layer: "WNRCD Ownership".2011. USDA-NRCS

The WNRCD comprises 1,609,470 acres (2,514.8 square miles), and is located approximately 85% in Pinal County and about 8% in Gila County, 5% in Pima County and 3% in Graham County. 56% percent of the land is State of Arizona owned, 18% is privately owned, 17% is managed by the Bureau of Land Management, 8% is National Forest and 1% is other land ownership including Tribal Lands (NRCS ArcGIS information).

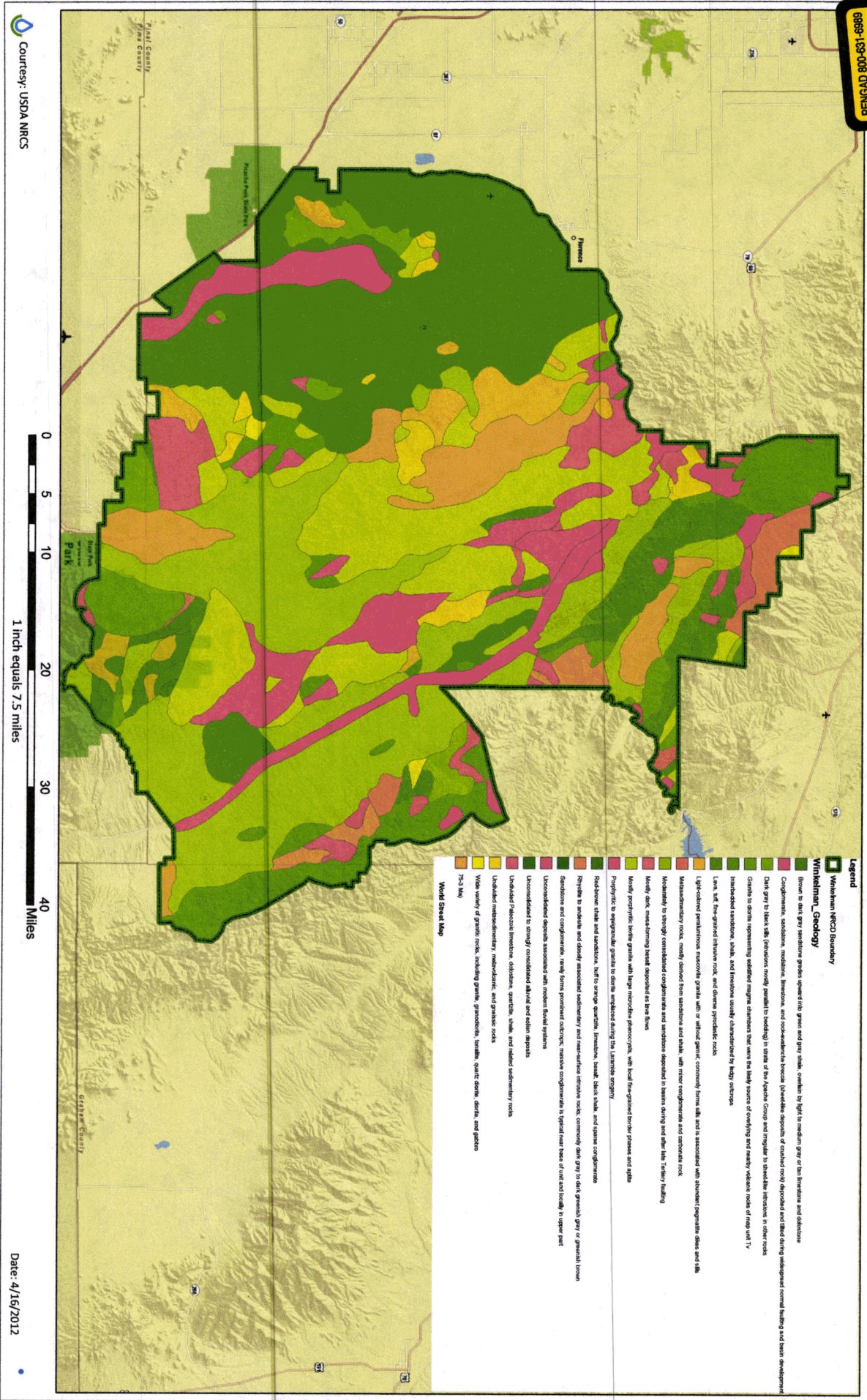
There are approximately 1,160 acres of irrigated cropland in the watershed comprised of 10 farms; 2 farms produce food/fiber crops, 7 farms are irrigated pasture for livestock and one farm is orchard. Important crops include native grass, alfalfa, wheat, cotton and citrus. The total grazing area is approximately 1,379,147 acres with 62 ranches. Land acreage for this estimate includes Federal, State and private lands. Urban land is currently 40,663 (2.5% of the district) and increasing annually with growth mainly near Oracle, Oro Valley, Catalina and Florence. Therefore, the land use is dominated by livestock operations of which most fall into two categories; ephemeral steer operations at the lower elevations and cow calf operations at the higher elevations.

Major towns and cities include Florence, Oracle and major communities in the District are Dudleyville, Hayden, Kearny, Kelvin, Mammoth, Catalina, Oracle, San Manuel, and Winkelman.

EXHIBIT
 WIN-5C
 ADMITTED
 68989 PENGAD 800-831-6898

Docket Number
 L-000000YY-15-0318-00171
 Win 05C Geology

Winkelman NRCD Geology Map



Courtesy: USDA NRCS

Mission/Vision Statement

"The Winkelman Natural Resource Conservation District will strive to insure a sustainable natural resource base for future generations by promoting a voluntary culture of conservation" according to the following principles:

1. Protecting private property rights
2. Fostering a sustainable and resilient economy
3. Promoting incentive based habitat conservation and species diversity

Mission Objectives

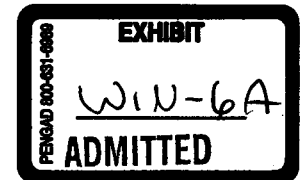
Avoid future ESA listings thru promotion of Best Management Practices.

Prevent major thru infrastructure development that has a significant and negative affect on the natural resource base of the district and do not serve the community,

Work toward mutual trust and understanding among our cooperators and stakeholders

Maintain unfragmented landscapes by promoting:

- a. Intact habitat corridors
- b. Agriculture as a conservation use
- c. Local culture
- d. A land ethic
- e. Appropriate recreation



Maintain or improve water resources

Maintain a vigorous profitable agriculture base to keep the district rural and sustainable

Encourage land uses that have positive effects on the natural resource base of the district as a whole

Promote the sustainability of district schools and towns by protecting the local tax base and promoting the local economies and long term grazing leases to provide for the fourteen beneficiaries of the State Land Trust

1. Discuss Districts' Mission statement in detail.

The mission/vision statement of the district is a living document that is constantly being updated to reflect the changes, values and challenges of a district that contains about 12 percent private lands; the rest being federal and state lands. The statement was updated last as a result of the U.S. Fish and Wildlife Service's (FWS) attempt to create a refuge in the lower San Pedro Valley (SPV). This would have had a devastating effect on the local tax base, resulting in further weakening of our local towns and school districts. We have spent the last several years working to create a locally driven alternative that will assure the FWS from coming back with another refuge proposal.

We spent about a year and a half working on the vision document. It was then incorporated into the district Long Range Plan. The LSP being the home of numerous endangered species and species of concern is a focal point for mitigation investments for large companies in Arizona. We felt these investments and species needed to be protected on a local basis. Also, the SPV has a robust agricultural economy that would be hurt, perhaps mortally if a refuge is introduced here. Not only that but the valley is about 20 percent state lands. With the advent of a refuge, those state lands will be forever locked into a reduced "Highest and Best Value" of agriculture.

The FWS is watching for developments in the Valley closely that will, in their view, threaten the SPV. The several parts of the vision statement address the various legislative mandates the districts are to protect, plus our local vision for the district; i.e. natural resources addressed through our statements about intact habitat corridors; our statement about protecting private property rights addressing our mandate to protect the local tax base.

2. Structure of the District and representation of its constituents.

The district is overwhelmingly rural. There are four small towns and four school districts within the district boundaries. Although the land base is dominated by agriculture, the economic base is dominated by copper mining and smelting. Because of the district's mandates, our constituency is overwhelmingly cattle and agricultural producers.

3. Responsibilities of the District to its constituents and cooperators.

To protect the natural resources. We do that by bringing state and federal dollars to those resources through the state Land Department, state Department of Agriculture, the USDA, BLM and Forest Service and private dollars. The district is also an intermediary between producers and agencies whenever conflicts arise.

4. Your role as a Supervisor.

- To represent our constituency and the natural resources.
- To incorporate science and best available science to all our actions.
- To follow Arizona's Open Meeting laws.
- To be accountable to the Legislature.

5. Examples of the type of meetings, actions and activities by the Districts.

The District conducts regularly scheduled quarterly meetings to bring the constituents up to date on district activities. Special meetings are held as needed for interested constituents, such as the Kearny River Fire. We hold coordination meetings with agencies per their NEPA requirements to make sure their actions are consistent with our plans and policies. Often, one or more of our supervisors will meet with agencies on behalf of constituents.

WINKELMAN NATURAL RESOURCE CONSERVATION DISTRICT

2015-2020



LAND AND RESOURCE MANAGEMENT PLAN

Approved June 6, 2015

Supervisors

Bill Dunn
Francie Meyer
Steve Turcotte
Gary Vinson
Carol DuBois

Statement of Vision

"The Winkelman Natural Resource Conservation District will strive to insure a sustainable natural resource base for future generations by promoting a voluntary culture of conservation" according to the following principles:

1. Protecting private property rights
2. Fostering a sustainable and resilient economy
3. Promoting incentive based habitat conservation and species diversity

Vision Objectives

Avoid future ESA listings thru promotion of Best Management Practices.

Prevent major thru infrastructure development that has a significant and negative affect on the natural resource base of the district and do not serve the community,

Work toward mutual trust and understanding among our cooperators and stakeholders

Maintain unfragmented landscapes by promoting:

- a. Intact habitat corridors
- b. Agriculture as a conservation use
- c. Local culture
- d. A land ethic
- e. Appropriate recreation

Maintain or improve water resources

Maintain a vigorous profitable agriculture base to keep the district rural and sustainable

Encourage land uses that have positive effects on the natural resource base of the district as a whole

Promote the sustainability of district schools and towns by protecting the local tax base and promoting the local economies and long term grazing leases to provide for the fourteen beneficiaries of the State Land Trust

This Plan includes by reference the *Winkelman NRCD Field Report* as a comprehensive study of the District, its history, characteristics, and resources both natural and man-made. The Field Report can be accessed at www.wnrcd.org. More about the Field Report below.

Winkelman NRCD Land and Resource Management Plan

Goals and Functions

The stated goal of the Winkelman NRCD is “to support and encourage the proper and wise sustained use and management of our basic renewable and non-renewable natural resources utilizing sound science and valid on-ground experience.” The District attempts to provide leadership in order to promote good management of the natural resources of the district through coordination conservation and development programs resulting in the wise use of lands within the district.

The Winkelman Natural Resource Conservation District will work with and provide guidance to rural property owners, farmers and ranchers for the protection, restoration and conservation of land, water and soil resources of the District and state to include the preservation of water rights and the control and prevention of soil erosion.

The District will assist private property owners in conserving natural resources, fish and wildlife and their habitat, rivers and streams and associated riparian habitats, protecting the tax base, protecting public lands, and assisting private property owners to make viable and responsible use of their private lands.

The District will utilize available resources to monitor fish, wildlife and plant species within the district, and recommend appropriate action to assist cooperators and agencies for their protection. We will consider the health of habitats or watersheds as a whole, understanding the interrelationships that individual actions have on the whole. Our goal will be to maintain or improve those larger systems and not manage for individual species within those systems unless it benefits the whole.

The major function of the district is to keep active management on the land, through education, technical assistance, agency interaction and other actions on behalf of our cooperators.

Since water and the accompanying water rights recognized by the State of Arizona are so important to the continued viability of all human activities within the district, we affirm the District's support of the long held doctrines of “prior appropriation” and “beneficial use” to support privately held water rights.

District Supervisors have identified major obstacles to the district's ability to carry out the stated functions and goals of this plan.

They include:

- Major utility corridors being planned through the District.
- Aspects of the *Trails and Parks Plan* of Pinal County Comprehensive Plan that

has the potential to open up certain areas of the District for activities which are inconsistent with District goals.

- Conversion of private land to federal and state agency owned land through purchase and mitigation, which diminishes the tax base, production capability and sometimes diminishes the conservation management of the property within the district.
- Increases of woody native plants species.
- Unwarranted listing attempts of species under the endangered species act.
- Invasion of non-native and undesirable native species within the district.

The district has addressed these threats with policies. They include:

Policy 1

Major Corridors Policy

It is the policy of the Winkelman Natural Resource Conservation District to oppose the construction of any new major energy, transportation or communication corridors through or across District lands. Furthermore, in order to minimize impacts to District lands and resources, all future major new transmission installations should be planned to follow existing rights-of-way. In addition, the District strongly encourages that, whenever possible, considerations be made for upgrading existing facilities rather than construction of new facilities.

In accordance with its Long Range Plan, it is the goal and responsibility of the Winkelman Natural Resource Conservation District to "address socio-economic, rural and urban development issues", to "foster the appreciation of cultural and wildlife resources" and to "protect the tax base and individual property rights" within the District.

Private lands provide the tax base that supports most of the county services and they are the underlying commensurate lands for federal grazing leases. It is the policy of the Winkelman District that there should be no net loss of private land within the District; however, any impacts to private property resulting from such projects must be justly compensated.

It is the policy of the Winkelman District to protect the local customs and culture. District lands encompass areas with treasured historic and cultural significance, lands with essential mineral resources as well as long standing farms and ranches that support the local tax base and help protect open space.

District boundaries encompass areas considered to be mitigation lands for protected, threatened and endangered species, lands with Wilderness designation, and lands with essential mineral resources. Development of any new major development corridors would negate these already established mitigation lands.

**Policy 2
Private Land**

It is the policy of the Winkelman District that there should be no net loss of private land within the District.

There is very little private land in the Winkelman District. Because of the way the District was settled, like most of the west, private lands in the District are generally the most productive and valuable lands. Private lands provide the tax base that supports most of the county services and they are the underlying commensurate lands for federal grazing leases.

The San Pedro and Gila Rivers are prime mitigation areas. Mitigation depletes the available private land in the District and weakens the tax base as well as the productive resource of the District. It is the policy of the Winkelman District to oppose any new transfers of private land for mitigation purposes.

**Policy 3
Reintroductions**

Whereas: The Winkelman Natural Resource Conservation District has been occupied by humans for the past 1500 years and because of that, the ecology of the district is different than it was before occupation by humans, as it is with all new species,

And whereas, the earth is constantly evolving and plants, animals, and ecosystems are evolving in response to that change; habitats become more or less suitable for each species;

And whereas, humans and their cultural practices are an integral part of the ecosystem and it is critical to environmental concerns that both the human environmental needs and the natural environmental needs be met, as recognized by the United States Congress in the National Environmental Policy Act and implementing regulations issued by each department and by the Council on Environmental Quality;

And whereas, It is environmentally necessary, as recognized by Congress in the National Environmental Policy Act, that there be harmony between the human environment and the natural environment;

And whereas, Artificial introduction or reintroduction of a species by man through government action will be contrary to the natural development and evolution of the ecosystems within the District, will create disharmony between the human environment and natural environment as they currently exist in natural co-existence, and will be contrary to the intent and mandates of Congress in the National Environmental Policy Act and the implementing regulations issued by executive departments of government;

And whereas, species introduced to the district by, or as a result of, governmental actions or agencies can upset the ecology and the unique ecosystems that are here, to wit the salt cedar;

Therefore it is resolved by the Winkelman Natural Resource Conservation District that the policy of the District is to oppose artificial introductions or reintroductions of species that have not, or are not, doing so on their own.

Policy 3(b)

Experimental Population Expansion of the Mexican Wolf

Pursuant to the Introductions and Reintroductions Policy of the Winkelman NRCD Land and Management Plan, the following policy is amended into the plan as "Policy 3(b)" to be titled "Experimental Population Expansion of the Mexican Wolf" The Policy is stated as follows:

The Stakeholder's Alternative for the management of the experimental population of the Mexican Wolf Population under the Endangered Species Act, 10j rule, is adopted, in its entirety, as the management policy of the Winkelman NRCD.

This alternative is appropriate for the management of this species within the Winkelman District for the following reasons:

- It is based on sound scientific principles, studies and data that have met the highest peer review standards including those set forth by the National Academy of Sciences.
- It takes into account the core responsibilities of the Conservation Districts to protect all of the natural resources within our boundaries by not artificially favoring one species over another.
- It conforms to our Reintroductions Policy, our Customs and Culture Policy, our Livestock Grazing policy and our policy Recognizing the Expertise of Arizona Game and Fish Department.
- It fulfills and complies with all federal and state laws governing the management of endangered species including the Endangered Species Act.
- It fulfills the requirements of the National Environmental Policy Act in that it best balances the human and natural environment by preserving both the species and economy of those directly affected.
- It protects the health, safety and welfare of landowners, producers, residents and tourists from unreasonable loss of life and livestock due to wolf presence.
- It was developed with broad public engagement and has the support of many local governments, tribal governments, conservation groups, livestock producers

and sportsmen conservationists.

Without the protections for our producers that are in the Stakeholder's Alternative the District will be unable to accomplish those important directives in our Vision Statement at the beginning of our Land and Management Plan.

We will be unable to "maintain a vigorous profitable agricultural base to keep the District rural and sustainable." If our producers are unable to be profitable and sustainable they will necessarily become developers of their private lands in order to protect their investments. This will, among other things, threaten the "last free flowing river in Arizona", the San Pedro and one of Arizona's crown jewels, the Aravaipa.

We will be unable to "Encourage land uses that have positive effects on the natural resource base of the district as a whole."

We will be unable to protect "long term grazing leases to provide for the fourteen beneficiaries of the State Land Trust."

Policy 4

Customs and Culture

It is the policy of the Winkelman District to protect the local customs and culture. District lands encompass areas with treasured historic and cultural significance, lands with essential mineral resources as well as long standing farms and ranches that support the local tax base and help protect open space.

In accordance with its Long Range Plan, it is the goal and responsibility of the Winkelman Natural Resource Conservation District to "address socio-economic, rural and urban development issues", to "foster the appreciation of cultural and wildlife resources" and to "protect the tax base and individual property rights" within the District. District lands encompass areas with treasured historic and cultural significance, areas for protection and mitigation for protected, threatened and endangered species, lands with Wilderness designation, lands with essential mineral resources as well as long-standing farms and ranches that support the tax base and help to protect open space. Any new major utility construction, such as the proposed Sunzia project, would adversely affect those important district resources by promoting further land fragmentation, the possible destruction of valued cultural and historic resources, disturbance of soil and degradation of water quality as well as affect the ability of landowners to steward their properties and produce essential products for the benefit of the people of the District, the county, the State of Arizona and the United States.

**Policy 5
Ecotones**

Ecotones are the zones of transitions, or junction zones, between two different ecosystems, such as where the land meets the sea. Ecosystems are the community of organisms, along with their environments, that form an interactive system within an identifiable space. Ecotones are essential to the richness and robustness of our environment. Construction of large infrastructure such as power transmission lines, clean energy facilities, gas lines, freeways and related infrastructure projects require the clearing of the landscape and may destroy, regressively alter, and/ or restrict the robustness of an ecosystem that may result in undesirable monocultures. Mitigation is the standard method for agencies to, in effect, trade off the harm that is often done to ecotones and ecosystems when harmful activities associated with major infrastructure such as land clearing are permitted. However, ecosystem and ecotone destruction cannot be mitigated. It is impossible to completely mitigate distinct ecosystems, because each ecosystem is unique and has developed over long periods of time under distinct environmental influences. Ecotone destruction is a final state just as the presence of large infrastructure is also in perpetuity.

Intact ecosystems and ecotones are of the highest value to the District and its people. Therefore, the District opposes any infrastructure and the activities associated with them that would destroy ecotones and/or ecosystems.

**POLICY 6
Winkelman Policy Recognizing the Expertise of Arizona Game and Fish
Department**

Since the formation of the Winkelman NRCD, the District has worked closely with Arizona Game and Fish Department on issues and conflicts relating to both game and non-game species. In this relationship the District has acknowledged the expertise of the AGFD as the managers in Arizona of both classes of animals. We have also noted the deference given to the AGFD by the federal agencies for the same expertise.

The AGFD has acknowledged and consulted the District for its local expertise in other natural resource issues within the District and as such we have developed a complementary and respectful relationship where those issues coincide.

Arizona statute defines wildlife, both resident and migratory, native or introduced to be property of the AGFD (ARS 17-102)and provides for the AGFD to cooperate with the Arizona-Mexico Commission and with researchers at universities in this state to collect data and conduct projects in the United States and Mexico on issues that are within the scope of the department's duties and that relate to the quality of life, trade and economic development (ARS 17-231,A,9).

The AGFD is empowered to investigate property damage from wildlife and is empowered to relieve that damage through special permits if necessary (ARS 17-239 A,B,C,D) and persons may seek judicial review for damages by wildlife under Arizona law (ARS 17-239 E).

Arizona law identifies the AGFD as the agency to investigate, document, quarantine and destroy wildlife in order to prevent the spread of infectious, contagious or communicable diseases in wildlife that may pose a health threat to animals or humans (ARS 17-250 A 1,2,3).

Therefore, it is the policy of the Winkelman District to recognize the Arizona Game and Fish Department as the best agency in Arizona to manage its wildlife including threatened and endangered species.

Policy 7 Major Developments

It is the policy of the District to oppose any further industrial scale major development that would contribute additional or cumulative impacts to the health and well-being of the people and resources located on lands within the District

Policy 8 Endangered Species Policy

The Winkelman Natural Resource Conservation District (the District) recognizes the value of ensuring the survival of species that have "esthetic, ecological, educational, historical, recreational, and scientific value to the Nation and its people" as stated in the Endangered Species Act (the Act). The District supports the original principle of the Endangered Species Act.

The primary duty of the District is to assist its landowners to protect and improve the resources within their control thereby ensuring sustainability and production efficiency and thus conserving the habitats and species that live on their lands. Because of their often multi-generational experience, those landowners are the local experts in conserving those natural resources. The District is a political subdivision of State government whose members are those local experts.

However, the Act has not recognized the value of that local expertise and the U.S. Fish and Wildlife Service (the Service) has not adequately utilized that knowledge when making determinations and decisions regarding threatened and endangered species. The consequences of this failure has led to a lack of confidence by landowners who are often the prime stewards of the habitats of these species. The success of our efforts as a nation to protect and prevent extinction of species relies on the voluntary support of our people and the confidence we have in the Act

and its implementation.

Since the passing of the Act in 1973, only one percent of "listed" species has "recovered". This is an appalling track record that can be partially attributed to inadequate agency planning and implementation and the Service's failure to utilize local coordination from the beginning of the "listing" process.

Therefore, to assist the Service in improving the efficacy and success of the Endangered Species Act, it is the policy of the District to direct the Service to act according to the following guideline:

- The Service will notify the District immediately upon receiving a petition to list a species within the District.
- Whenever a species that affects the District is listed, the Service will engage in meaningful coordination with the District according to the Service's mandated legal NEPA obligations.

Policies alone do nothing to diminish threats within the district, but are guides when pursuing goals. These goals are pursued on several fronts.

Coordination

The District will Coordinate with federal and state agencies by:

1. Early involvement with agencies as they begin moving forward on issues pertaining to natural resources including fish and wildlife.
2. Ensuring that our plans are incorporated and addressed for consistency in any Environmental Impact Statement affecting the District.
3. Ensuring that all property owners are aware of proposed actions.
4. Convening public meetings on an issue when necessary.
5. Utilizing experts from the universities, the Natural Resources Conservation Service, Federal and State land agencies and private consultants to provide information on issues.
6. Insisting on agency compliance with National Environmental Policy Act, the Data Quality Act, and the Administrative Procedures Act.
7. Ensuring all actions pertaining to species are beneficial for all species and do not preclude the ability of humans to manage and enjoy our natural resources.

8. Ensuring all actions will protect the economic base of the district.

***The District has several ongoing projects which support this plan.
They include:***

District Field Report

In 2012 the District Field Report was updated by Katie Cline. This report is a comprehensive study of the farms, ranches, mines, towns, and all other relevant resources within the District. It is an invaluable reference for all future actions by the District. The Field Report identifies resource concerns in the District and directs means to address them. Those resources can include EQIP funds, funds allocated through the Winkelman Resource Management Center, and technical service providers (TSP's) in order to aid in major projects, monitor resources and educate and train producers, cooperators and others.

In order for District supervisors, cooperators, county, towns, and agencies to understand what lands and resources are in the District. The District Field Report will be updated as needed. This aids in major projects by the District.

Sonoran Desert Tortoise

Meyer Tortoise Study

The district will facilitate, with manpower and funding if necessary, the ongoing SDT study, being conducted by Dr. Walt Meyer within the District. This study is essential as a knowledge base for the scientific community on the tortoise and those plants and animals that interact with it. It is also the basis for the District's *Sonoran Desert Tortoise Conservation Plan*.

Best Management Practices

The District has initiated consultation with US Fish and Wildlife Service, Arizona Game and Fish Department, Bureau of Land Management, Natural Resource Conservation Service to create a 4D Rule for grazing for the tortoise in the case that the SDT is listed as endangered. This rule will enable the grazing industry, by identifying Best Management Practices to avoid being unduly impacted by any future listing of the tortoise.

The District joined with the Bureau of Land Management, U.S. Fish and Wildlife Service, Arizona Association of Natural Resource Conservation Districts, and Arizona Game and Fish Department and Natural Resources Conservation Service to form the Sonoran Desert Tortoise Working Group to create a Best Management Practices document for grazing in SDT habitat has been reviewed by the livestock industry, other NRCDs as well as foes of the industry, to be used by the grazing industry for the protection of the SDT. This document is designed to be a template for other species

and industries that are or expect to be affected by the Endangered Species Act.

Surveys and Studies

The District plans to initiate a district-wide population survey for SDT using habitat identification characteristics. This will enable all Districts within the SDT habitat to conduct population surveys in order to determine with confidence the total population of SDTs before the 2015 FWS listing determination as agreed to by Fish and Wildlife Service in lawsuit.

The District is also contracting with University of Arizona personnel to do population modeling for SDT using data from the Meyer Study.

Sonoran Desert Tortoise Conservation Plan

The WNRCD Sonoran Desert Tortoise Conservation Plan was conceived in 2010 as a result of listing attempts on the SDT. It spells out Best Management Practices for the conservation of the Sonoran Desert tortoise for towns, industry, etc. Originally, it was the intent that the plan would be adopted by Pinal County and the various towns and industries in the District as an aid in preventing the need to list the tortoise. It is now being reduced in scope to protect basic industries in the district in preventing undue controls by federal and state agencies. This project is being accomplished in cooperation with the U.S. Fish and Wildlife Service, Arizona Game and Fish Department, Arizona Association of NRCDs and Natural Resources Conservation Service. The District will maintain and revise this plan as necessary.

Expansion of Non-Essential Experimental Population of Mexican Wolf under the 10J Rule

In 2014 the District board decided to demand coordination, along with other districts and local governments in Arizona and New Mexico on the expansion of the 10J rule for the non-essential population of the Mexican wolf by the U.S. Fish and Wildlife Service.

Illegal Dumping

Illegal dumping has been a problem for the District for many years. The District formed a committee as a result of District cooperator's threat of loss of grazing permits due to illegal dumping, the District created the Wildcat dumping taskforce in 2004 the Taskforce included many interested agencies and organizations that addressed the problem. As a result, the taskforce published and funded a booklet, All Things Garbage, to serve as a free reference guide for citizens throughout the county.

The District has also created legislation to help law enforcement officials combat illegal dumping. Legislation was passed in 2012 and is now state law.

Conservation Resource Management Plans

The District is working with cooperators, landowners, land management agencies and the Natural Resource Conservation Services to implement conservation management plans on ranches within the District. The goal is to implement them on 100% of the lands within the District.

Conservation Resource Management plans require monitoring on ranches to determine if cooperators are reaching their production goals on native ranges, to detect trends in range health, and to aid in the management of those ranges. The District is continually seeking funding for range monitoring, as it is always in short supply.

Lower San Pedro Natural Resource Conservation Districts Initiative

The Lower San Pedro River Valley has long been considered of special significance by conservationists and others because of the numbers of threatened and endangered species that inhabit it or use it as a migration corridor. Consequently, many of the private lands there have been converted from agricultural production to endangered species mitigation lands. This is beginning to alter the historical agricultural uses of the Valley. In 2012 a proposal by the USFWS to create a refuge in the Valley spurred the District to join with the Redington District to create a unique model for retaining those private lands, thus protecting and enhancing the viability of agriculture as an essential conservation use, while preserving the natural resource base for species and their habitat.. In June 2015, the two Districts prepared a Regional Conservation Partnership Program Grant application along with several partners to address the main resource concerns in the Valley.

Economic Survey

The District is commissioning an economic analysis of the District and will update it, as necessary, to aid in its other ongoing endeavors.

Local Work Group

The Natural Resources Conservation Service in 2013 changed their policy for determining how they would allocate funding for EQIP projects. Instead of prioritizing funds based on national priorities they would ask the individual districts to identify the resource priorities locally and the districts would identify those EQIP practices that would address those concerns. The NRCS will rank projects within the district accordingly for funding. To that end the WNRCD will now use the Local Work Group to annually identify and update those priorities.

Tamarisk

Since its introduction to Arizona, the tamarisk (*Salt Cedar*) has invaded most of the Gila and San Pedro River basins as well as many of their tributaries and other riparian areas within the District. In recent years, the tamarisk beetle, a biological control agent for tamarisk, has been introduced into the southwest. It is inevitable that the beetle will have an impact on the tamarisk populations within the district. The Winkelman District must begin to plan for that change as it will be both a problem and an opportunity for our producers. This will be a major focus for the District in the coming years. The ecological impact of the beetle will create an extreme impact on the habitat.

DISTRICT GUIDING PRINCIPLES

The objectives set forth are to provide guidance measures to be implemented through this plan and direction provided through the District's approved policies and procedures in the attainment of District goals.

Promote the protection of private property rights including water rights

a. The District will oppose any transfer of water by artificial means to or from areas outside the District until such time as the scientific and economic data which meets the requirement of the Data Quality Act (Public Law 106-554, 2001) supports such action. Data must also support that there will be absolutely no resource or economic harm now or in the future to the urban and rural property owners within the District.

b. The District opposes any requirement for water meters on private wells.

Embrace the multiple use philosophy of the Federal Land and Management Act of 1976.

Agriculture, mining, recreation, hunting, hiking, and camping are all a part of the multiple use of public lands. The District supports all these multiple uses along with the requirement for the conservation of natural resources and the economic wellbeing of the people and the local governments. All documents published by government agencies for management and use of public land must be based on the most current and best available science and in compliance with all Agency regulations, the Federal Land and Management Act of 1976, National Environmental Policy Act (NEPA) and the Data Quality Act.

Establish protocols for monitoring and studies

a. The District requests for all federal and state agencies with management responsibilities in the District for species and/or its habitat provide the District with an annual update of the monitoring programs they have in place, data collected and

specifics about their collection protocols. The district also requests that these agencies inform the District of proposed research projects and allow for the District's input and collaboration prior to implementation.

b. The District supports regular monitoring, within the scope of published protocols, of the resources within the District is essential to ensuring the policies and best management practices are updated and implemented.

c. All data shall be collected and studies prepared using protocols that will ensure the quality, utility, objectivity and integrity of the information as required under the Data Quality Act.

d. All data that is gathered must be shared with the District in a timely manner regardless of the state of completion of a final report.

e. Private landowners are also encouraged to monitor and at their discretion share data collected on private property within the District.

f. All data that is shared with the District that is not public information will be treated as confidential and used by the District by permission only to help update and implement its policies and best management practices.

Coordination with the federal and state agencies

a. Enter into coordination with the federal and state agencies and the counties in the management of lands and/or resources located within the District to insure agency plans are either consistent with the District plans or contain an explanation for the non-consistency areas.

b. Provide information to and consult with the Governor on inconsistencies between the District plans and final NEPA documents.

Livestock Grazing

The District has a long history of livestock grazing both on private and public lands. When properly managed, livestock are an important tool for resource management, helping improve habitat and decrease fire hazards. Livestock grazing should continue to be managed to benefit human health, historic culture and economic well-being by observing the following.

a. Maintain sustainable grazing consistent with historic land use and ranching practices.

b. Livestock grazing is an important tool to properly manage habitat and should be used in resource management.

- c. Any grazing restrictions or conservation measures that are implemented through a grazing permit shall be based solely on the conditions and science, specific to that permitted grazing allotment.
- d. Annual precipitation measurements should become a part of annual operating plans. If the monitoring data shows there is an increase in forage that supports additional livestock in a suitable habitat area, then increased grazing should be considered.
- e. Normal grazing permit renewals should not be considered a major action by federal agencies but until they stop doing so they should prioritize completion of land (range) health assessments and grazing permit NEPA analysis on allotments.
- f. Allotment management changes must be tailored to address specific problems. The best available science should be used to address problems and diverse solutions, such as the flexibility to change livestock numbers or timing and season of use, should be considered.
- g. Changes in grazing management initiated by agencies should only occur when supported by appropriate monitoring data in conjunction with the property owner, permittee, NRCS, District and government agency.
- h. Management changes, when needed, must be tailored to specifically address habitat objectives that need improvement, but should not adversely affect the habitat of other species.
- i. Altering grazing schemes in allotments, where needed and appropriate, may be facilitated by enhanced grazing opportunities with brush removal and grass seeding when needed. The unintended consequences of altering grazing use, such as possible increased risk of wildfire, must be carefully considered in any management proposal
- j. Waters used for rural domestic, livestock, and wildlife and uses which are essential to the continued use and conservation of natural resources for the benefit of all residents of the District should be classified as beneficial.

Mineral Development

- a. Mining has always been an important part of the District's history and should continue. Mineral access, claim access and future mineral development can all be pursued, as has been done historically following best management practices and with the advancement of technology that continues to reduce short-term and long-term impacts.
- b. Full access to all resources must be maintained in order to ensure a productive economy and the health, safety and welfare of the citizens of the District.

Support Resource Restoration after Fire

- a. In the event of a wildfire, coordinate with appropriate agencies in developing and implementing rehabilitation plans.
- b. When pursuing habitat restoration or rehabilitation, use native plant species produced within the District when available.
- c. Coordinate with appropriate agencies for support for controlled burns by cooperators.

Provide and support resource improvement and management on small parcels of land.

- a. Promote, support and assist owners of small parcels of land with making improvements to their land and addressing their resource concerns. Utilize workshops and property visits by NRCD and/or NRCS personnel to accomplish this objective.
- b. Provide information on type and source of seed for reestablishment of native grasses.
- c. Instruct and provide information on erosion control projects which can be accomplished on small plots of land. Workshops can be used for this purpose.
- d. Provide information on proper livestock and manure management.
- e. Provide guidance on correct wildlife conservation practices.

Natural Resource Education

- a. Promote, develop and maintain natural resource education projects to benefit the resources and the people.
- b. Utilize the District website www.wnrcd.org to provide educational information including educational material, workshop announcements, and videos.
- c. Support the development of District operation and training videos.
- d. Support the development of District operation and training videos and post the completed videos on the District website.

- e. Publish a quarterly newsletter to keep Cooperators and others informed of District activities.
- f. Provide workshops for District cooperators, students and the public.
- g. Provide natural resource workshops for grade school students at schools within the District
- h. Provide support to the Natural Resource Conservation Workshop for Arizona Youth.
- i. Produce and acquire programs which provide education about resource management and make them available to schools in the District using the workshops, the web site, and the newsletter.
- j. Invite knowledgeable speakers to the District.
- k. Encourage the District Supervisors to attend workshops and seminars to improve their knowledge of resource management and to develop better leadership skills.
- l. Promote and encourage training sessions for agency personnel.
- m. Encourage state and national leaders and the press to tour the District and learn more about the resource management efforts and concerns.
- n. Hold workshops with other organizations to improve communication and understanding.
- o. Encourage Universities to utilize the District resource for field training.
- p. Provide recognition for outstanding and innovative conservation programs or service within the District.

Winkelman Resource Management Center

The District has funded and staffed an Education Center. The Winkelman Resource Management Center is reestablishing its IRS 501C3 classification, which enables it to receive tax deductible donations.

The stated goals of the Resource Management Center are:

- Develop and implement quality educational programs that promote conservation and responsible natural resource management and target critical issues approved by the advisory board.
- Present balanced educational programs at schools and public events.

- Work with local colleges and cooperative extension programs to enhance community awareness and expand programs.
- Interact with other NRCD and NRCS staff to assure efficient use of resources and opportunities for partnering.
- Publish documents, pamphlets, and scientific studies.
- Support the local school districts by hiring a science teacher to be shared by the District schools.
- Maintain the district website. The website is the district's official meeting notification point as provided by Arizona's Open Meeting Law requirements. It also contains all documents, agendas, meeting announcements and current activities of the district.
- Utilize social media and technology for outreach

The Center may be the vehicle for managing the Lower San Pedro Planning Area effort.

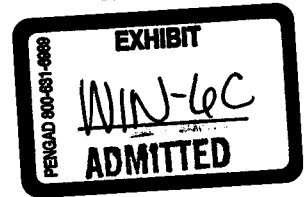
Educational projects to support the District Plan are:

- Cooperator education on the WNRCD SDT Conservation Plan and BMP's for ranching activities thru the 4D rule on the Sonoran Desert Tortoise.
- Range monitoring workshops in cooperation with University students and cooperators
- The identification and control of noxious weeds

WIN 08C

**Winkelman Natural Resource Conservation District
Land Management Plan**

Policy 1 - Major Corridors Policy



It is the policy of the Winkelman Natural Resource Conservation District to oppose the construction of any new major energy, transportation or communication corridors through or across District lands. Furthermore, in order to minimize impacts to District lands and resources, all future major new transmission installations should be planned to follow existing rights-of-way. In addition, the District strongly encourages that, whenever possible, considerations be made for upgrading existing facilities rather than construction of new facilities.

In accordance with its Long Range Plan, it is the goal and responsibility of the Winkelman Natural Resource Conservation District to "address socio-economic, rural and urban development issues", to "foster the appreciation of cultural and wildlife resources" and to "protect the tax base and individual property rights" within the District.

Private lands provide the tax base that supports most of the county services and they are the underlying commensurate lands for federal grazing leases. It is the policy of the Winkelman District that there should be no net loss of private land within the District, however; any impacts to private property resulting from such projects must be justly compensated.

It is the policy of the Winkelman District to protect the local customs and culture. District lands encompass areas with treasured historic and cultural significance, lands with essential mineral resources as well as long standing farms and ranches that support the local tax base and help protect open space.

District boundaries encompass areas considered to be mitigation lands for protected, threatened and endangered species, lands with Wilderness designation, and lands with essential mineral resources. Development of any new major development corridors would negate these already established mitigation lands.

Any new major utility or corridor construction would adversely affect those important district resources by promoting further land fragmentation, disturbance of soil and degradation of water quality as well as affect the ability of landowners to steward their properties and produce essential products for the benefit of the people of the District, the county, the State of Arizona and the United States.

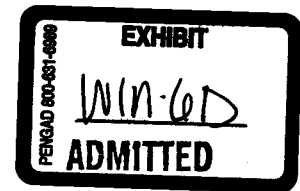
Passed and adopted this 8 day of January 2010, by the following vote.

AYES: 4 NAYS: 0

BY

A handwritten signature in black ink, appearing to be 'D. R. ...'.

Chairman



**Winkelman Natural Resource Conservation District
Land Management Plan**

Policy 2 – Customs and Culture

In accordance with its Long Range Plan, it is the goal and responsibility of the Winkelman Natural Resource Conservation District to "address socio-economic, rural and urban development issues", to "foster the appreciation of cultural and wildlife resources" and to "protect the tax base and individual property rights" within the District.

It is the policy of the Winkelman District to protect the local customs and culture. District lands encompass areas with treasured historic and cultural significance, lands with essential mineral resources as well as long standing farms and ranches that support the local tax base and help protect open space.

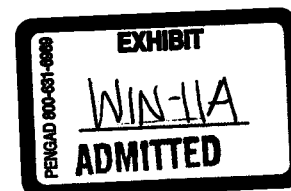
The District opposes any action that would adversely affect those important district resources by promoting further land fragmentation, the possible destruction of valued cultural and historic resources, disturbance of soil and degradation of water quality as well as affect the ability of landowners to steward their properties and produce essential products for the benefit of the people of the District, the county, the State of Arizona and the United States.

Passed and adopted this 6 day of January 2010, by the following vote.

AYES: 4 NAYS: 0

BY *Bill P. [Signature]*
Chairman

MEMORANDUM OF UNDERSTANDING
BETWEEN
WINKELMAN NATURAL RESOURCE CONSERVATION DISTRICT
AND
SAFFORD DISTRICT
BUREAU OF LAND MANAGEMENT
UNITED STATES DEPARTMENT OF THE INTERIOR



I. PURPOSE

This Memorandum of Understanding establishes policy and general guidelines for use by the Winkelman Natural Resource Conservation District and the Bureau of Land Management (BLM) in coordinating their resource planning, management, and educational activities. The above parties desire to work together in an effort to develop and implement sound resource management and conservation programs. The agencies generally will function in a Coordinated Resource Management (CRM) forum for planning and issue resolution.

The conservation district will be hereafter referred to as the District, and the BLM will be referred to as the Bureau.

II. POLICY

It is the joint objective of all parties to develop, coordinate, and initiate resource conservation programs and to promote proper utilization and development of all lands subject to the respective authorities of each.

In implementing the provisions of this memorandum, each party's participation will vary depending upon land ownership, land use and administration within the area. Cooperation with all owners, managers, and users of the subject land and resources within each specific area, including states, counties, and private landowners will occur. Other persons, agencies and organizations with interest in CRM areas will be involved as appropriate.

III. AUTHORITY

This Memorandum of Understanding supplements the National Memorandum of Understanding dated July 1987 and the Arizona Supplemental Agreement for Coordinated Resource Management of February 1991.

The Bureau and District operate under separate legislative authorities and departmental policies including, but not limited to, the following:

- A. The provisions of Title 37, Chapter 8 of the Revised Statutes of Arizona.
- B. Administrative Dispute Resolution Act of 1990, Public Law 101-552, 5 USC 581ff.
- C. Public Rangelands Improvement Act of 1978, Section 12, Public Law 95-514, 43 USC 1901.

- D. The Federal Land Policy and Management Act of 1976, as amended by the Public Rangelands Improvement Act of 1978 (43 U.S.C. 1901 et seq.).

IV. RESPONSIBILITIES

A. District Responsibilities

The District will:

1. Provide to the Bureau for their information a long range soil and water conservation plan for the District.
2. Schedule an annual Bureau-District coordination meeting prior to finalizing both Bureau and District annual work plans.
3. Provide leadership for developing conservation programs on privately controlled land and affected non-federal lands by encouraging and assisting landowners and operators to formulate, coordinate, and carry out conservation plans on all lands within the District as rapidly as available resources, consent of landowners and operators, and other factors permit.
4. Work with the Bureau in developing a mutually acceptable general conservation plan for all lands. When requested by the Bureau and if available to the District, the District will make arrangements for (a) supplying soils information, (b) providing technical assistance, and (c) supplying equipment and materials to the Bureau for use on Bureau-administered public lands.
5. Meet with local officials of the Bureau periodically to review cooperation opportunities for conservation planning and application, and on problems of mutual concern.
6. Inform the Bureau of any known activity contemplated by the District or other agencies that might affect lands under the jurisdiction of the Bureau.
7. Cooperate with the Bureau in coordinating Bureau conservation plans and programs with conservation plans and programs being developed by private individuals, state, or local governmental units or other federal agencies on other lands within the districts, including assistance in securing cooperative agreements with landowners and operators.

B. Bureau Responsibilities

The Bureau will:

1. Provide to the District, upon request, such information as it may have available from surveys, inventories, or other studies which would assist the District in preparing its conservation plans.
2. Work with the District in developing, scheduling, and executing a mutually acceptable conservation plan for all lands within the boundaries of the District through the following processes:

The Bureau will:

- a. Formulate plans and implement a program of soil and water conservation and improved land management on all lands administered by the Bureau.
 - b. Provide the District with Resource Management and Activity plans with associated environmental assessments, including socioeconomic analysis for review. Such plans will be reviewed for the purpose of coordinating them with District-wide programs and objectives.
 - c. Review the Districts Long Range Program and Objectives and coordinate Bureau efforts with those of the District to the maximum extent possible in keeping with agency responsibilities, priorities and limitations.
 - d. Inform the District of any known activity contemplated by the Bureau or other agencies that might affect lands under the jurisdiction of the District.
3. The Bureau agrees to reimburse the District in an amount to be mutually determined and acceptable to both parties for use of District owned or operated equipment, services or materials furnished by the District at the request of the Bureau, which accomplishes work in conformance with jointly approved plans.
 4. The Bureau will encourage resource users to cooperate with the District in developing an integrated conservation program for their enterprise regardless of land ownership.

C. It Is Further Mutually Agreed

1. That all specific details, special considerations and initiatives, which are acceptable to the District and the Bureau will be made a part of this agreement. Copies will be furnished to all affected parties.

2. This agreement shall not be construed to affect the jurisdiction of the Bureau over public lands administered by the Bureau within the boundaries of the District; nor will this agreement impose upon any party an obligation for expenditure of funds or the furnishing of materials or equipment, or other resources in excess of the amount authorized for such purposes.

3. To the maximum extent possible, the District and the Bureau will mutually support natural resource conservation and education programs which promote conservation of the resources within the District.

4. This agreement shall be effective when signed by both parties and shall remain in force until terminated or modified by agreement of both parties or terminated by either party alone by giving sixty (60) days' written notice of termination to the other.

Bureau of Land Management

J. D. Ford
(District Office)
425 E 4th Street
(Address)
William J. Ciriak
(District Manager)
08/14/92
(Date)

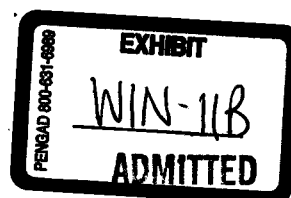
Natural Resource Conservation District

Winkelman
(District Name)
P.O. Box 158, Mammoth, AZ 85618
(Address)
Vigil E. S. Sorenson
(NRCD Chairperson)
Aug 17, 1992
(Date)

**MEMORANDUM OF UNDERSTANDING
FOR COORDINATED RESOURCE MANAGEMENT IN ARIZONA**

AMONG

BUREAU OF LAND MANAGEMENT (BLM)
FOREST SERVICE (USFS)
COOPERATIVE EXTENSION (CE)
FARM SERVICE AGENCY (FSA)
BUREAU OF INDIAN AFFAIRS (BIA)
NATURAL RESOURCES CONSERVATION SERVICE (NRCS)
ENVIRONMENTAL PROTECTION AGENCY (EPA)
FISH AND WILDLIFE SERVICE (USFWS)
BUREAU OF RECLAMATION (BOR)
DEPARTMENT OF DEFENSE (DOD)
NATIONAL PARK SERVICE (NPS)
U.S. GEOLOGICAL SURVEY (USGS)
AGRICULTURAL RESEARCH SERVICE (ARS)
ARIZONA STATE LAND DEPARTMENT (SLD)
ARIZONA GAME AND FISH DEPARTMENT (AGFD)
ARIZONA ASSOCIATION OF CONSERVATION DISTRICTS (AACD)
ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ)
ARIZONA DEPARTMENT OF WATER RESOURCES (ADWR)
ARIZONA DEPARTMENT OF AGRICULTURE (ADA)
ARIZONA STATE PARKS (ASP)



A. PURPOSE

This Arizona Memorandum of Understanding for Coordinated Resource Management provides the mechanism for private land owners, Native American Tribes, land users, Conservation Districts and state and federal resource management agencies and their cooperators, permittees and leasees to develop coordinated resource management plans for farms, ranches, wildlife habitat, watersheds, or similar resource management units. It also provides the mechanism for agencies with resource management responsibilities in Arizona to work together, share resource information, and develop complimentary policies, procedures, and methodologies where possible. It is intended to foster cooperation and coordination in development and implementation of sound resource management and conservation programs where objectives are of mutual concern.

This Memorandum of Understanding is intended to supplement existing Memorandum of Understanding between and among agencies, tribes, conservation districts, and local governments for coordination of resource management in Arizona.

This Memorandum of Understanding supersedes the February 1991 Arizona Supplemental Memorandum of Understanding for coordinated resource management between the Bureau of Land Management, US Forest Service, Arizona Cooperative Extension, Soil Conservation Service, Arizona State Land Department, Arizona Game and Fish Department, and the Arizona Association of Conservation Districts.

B.

ROLES AND RESPONSIBILITIES

1. The Bureau of Land Management administers public lands within a framework of numerous laws. It is the mission of the Bureau of Land Management to sustain the health, diversity and productivity of the public lands for the use and enjoyment of present and future generations.
2. The U.S. Department of Agriculture Forest Service manages public lands in national forests and grasslands. The Forest Service also conducts forestry research, and provides technical and financial assistance to state and private forestry agencies.
3. The Cooperative Extension Service works to enhance agriculture, the environment, the natural resource base, family and youth well-being and the development of local communities. They accomplish this mission by the integration, dissemination, and application of knowledge in agricultural and life sciences.
4. The Natural Resources Conservation Service is a federal agency that works in partnership with the American people to conserve natural resources on private lands, and other non-federal lands, through scientific and technical expertise, and partnerships with Conservation Districts and others.
5. The Farm Service Agency mission is to stabilize farm income, help farmers conserve land and water resources, provide credit to new or disadvantaged farmers and ranchers, and help farm operations recover from the effects of disaster.
6. The US Fish and Wildlife Service is responsible for migratory birds, endangered species, freshwater and anadromous fish, the National Wildlife Refuge System, wetlands, conserving habitat, and environmental contaminants.
7. The Bureau of Indian Affairs has a trust responsibility emanating from treaties and other agreements with federally recognized Indian tribes to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of Indian tribes.
8. The Environmental Protection Agency mission is to protect human health and to safeguard the natural environment. Their purpose is to ensure clean air, clean water, safe food, pollution prevention, and better waste management.
9. The Bureau of Reclamation manages water related resources west of the Mississippi River. Their mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.
10. The National Park Service promotes and regulates the use of the national parks, whose purpose is to conserve the scenery and the natural and historic objects and the wild life therein, and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations.
11. The Department of Defense mission is to support the military readiness of the United States armed forces, improve the quality of life for military personnel, and comply with environmental laws to protect human health and the environment.
12. The US Geological Survey provides the Nation with reliable, impartial information to describe and understand the earth, to minimize loss of life and

- property, manage water, biological, energy, and mineral resources, enhance and protect the quality of life, and contribute to wise economic and physical development.
13. The Agricultural Research Service is the research arm of the United States Department of Agriculture. The Service provides access to agricultural information and develops new knowledge and technology needed to solve technical agricultural problems of broad scope and high national priority to ensure adequate availability of high quality, safe food, a viable and a competitive food and agricultural economy.
 14. The Arizona State Land Department is responsible for administering the use and management of Arizona's State Trust lands and for coordinating the Natural Resource Conservation District program in Arizona.
 15. The Arizona Game and Fish Department, acting pursuant to and under the authority of the Arizona game and Fish Commission, is responsible for the use and management of Arizona's wildlife resources. The mission of the AGFD is to conserve, enhance and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs, and to provide wildlife resources and safe water craft recreation for the enjoyment, appreciation and use of present and future generations.
 16. The Arizona Association of Conservation Districts represents the Conservation Districts in Arizona, which are legal subdivisions of State or Tribal government. Conservation Districts provide locally led leadership and assist agencies in determining priorities for conservation work.
 17. The Arizona Department of Environmental Quality mission is preserving, protecting and enhancing Arizona's environment, as well as safeguarding the public health. ADEQ is responsible for air quality, water quality, and waste management in Arizona.
 18. The Arizona Department of Water Resources administers state water laws (except those related to water quality), explores methods of augmenting water supplies to meet future demands, and develops policies that promote conservation and equitable distribution of water. The Department also oversees the use of surface and groundwater resources in Arizona. Other responsibilities include management of flood plains and non-federal dams to reduce loss of life and damage to property.
 19. The Arizona Department of Agriculture is responsible for controlling dangerous plant infestations, ensuring the quality of fresh fruits and vegetables, and for protecting Arizona's native plants. The Department is also responsible for protecting the public from contagious and infectious diseases in animals. The Department enforces laws concerning the movement, sale, importation, transport, slaughter, and theft of livestock, and administers feed, fertilizer, and pesticide registration, licensing and compliance.
 20. Arizona State Parks manages and conserves Arizona's natural, cultural and recreational resources for the benefit of the people in Arizona's parks, and through cooperation with their partners.

C. OBJECTIVES

1. To recognize that the lands and natural resources administered by the participants of this agreement are part of larger ecosystems that cross administrative and ownership lines.
2. To recognize that effective management of Arizona's lands, natural resources and ecosystems requires cooperation between many federal and state agencies, Conservation Districts, Native American Tribes, local governments, private land owners, and land users.
3. To acknowledge the significance of local objectives and resource concerns in the management and use of resources.
4. To promote coordinated resource management planning where land ownership, resource management responsibilities, and technical assistance responsibilities are intermingled or where coordination is essential to develop and implement a sound resource management plan.
5. To recognize that land owners, land users or agencies are entitled to request that agencies work together on resource planning and management where land ownership, resource management responsibilities, and technical assistance responsibilities overlap.
6. To encourage coordinated collection and use of resource information and monitoring data for making scientifically based resource management decisions, and to promote complimentary policies, procedures, and methodologies where possible.
7. To insure that consultation between agencies and land owners occurs before decisions are made which may affect the use and management of other lands and resources.
8. To provide for a framework for communication and scheduling of coordinated resource management planning, implementation, and monitoring activities on a case-by-case basis, and for a periodic review of planning progress and updating of coordinated resource management plans to insure goals and objectives are being met.

D. SCOPE

1. This Memorandum of Understanding provides the mechanism for agencies, landowners, and land users in Arizona to develop coordinated resource management plans. It also provides the mechanism for resource management agencies in Arizona to work together, share resource information, and develop complimentary policies, procedures, and methodologies where possible.
2. Coordinated resource management plans are developed on a case by case basis by appropriate members of local working groups, and are signed by the participants to document agreement on common goals and objectives for use and management of the resources within a management unit. Coordinated resource management plans represent agreement on a plan of action to achieve common goals and objectives for a specific management unit, and agreement on methods that will be used to evaluate progress toward the goals and objectives.

3. Coordinated resource management plans do not hinder agencies, private land owners, or land users from making necessary decisions to protect the lands or resources they own or administer or to comply with local, state, or federal laws or agency policy. Rather, coordinated resource management plans constitute a mutual agreement on a plan of action, and a willingness of agencies to consult, whenever possible, with all involved participants before making decisions, to insure that all resource and human concerns are adequately considered before decisions are made.

E. **COORDINATED PLANNING GROUPS**

The following groups are established to implement coordinated resource management in Arizona:

1. **EXECUTIVE GROUP**

- a. The Executive Group is made up of the state or regional executives of the participating agencies to this agreement, who are responsible for administering the resource management activities for their agency in Arizona.
- b. The Executive Group is responsible for insuring that cooperation among agencies and other groups exists for the benefit Arizona's natural resources. They are responsible for directing personnel at all levels of the organizations to be knowledgeable of, and adhere to the purpose, objectives, and scope of this agreement. They will develop, review and adopt uniform policy and procedures and supplemental agreements for coordination and cooperation in Arizona.

2. **STATE TASK GROUP**

- a. The State Task Group is an extension of the Executive Group. Membership of the Task Group will include state or regional level resource specialists appointed by the Executive Group. The State Task Group will meet at least annually, and other times during the year as appropriate.
- b. The purpose of the State Task Group is to assist the Executive Group in planning, implementation and monitoring coordinated resource management program in Arizona; to exchange information on policies, programs, methodologies and procedures, and issues; and to provide training, technical advice and assistance to the field groups and special working groups.
- c. This group will convey the status of statewide coordinated planning to the Executive Group. They will establish the work areas for each Field Group and maintain the current personnel lists for each Field Group. They will

review local planning progress and assist in building goal oriented consensus, help establish priorities for planning, and provide assistance in conflict resolution.

- d. The State Task Group will identify and work on opportunities, issues and problems in coordinated resource management planning and inter-agency training. They will also develop and maintain Arizona Coordinated Resource Management Handbook and Guidelines, and exchange and distribute resource data mutually beneficial to each agency.

3. FIELD GROUPS

- a. The Field Groups are made up of field staff from appropriate agencies and conservation districts within an Field Group Area designated by the State Task Group. The agencies involved in each field group will vary, depending on the land ownership and administrative responsibilities within each Field Group Work Area. The Field Groups will normally only include those agencies who will be directly involved in prioritizing, developing, implementing, and/or monitoring coordinated resource management planning activities.
- b. Field groups will formally meet at least once each year to exchange information and update, prioritize, schedule and assign agency roles for coordinated resource management activities.
- c. The State Task Group will maintain a working list of management units with planned or existing coordinated resource management activity in each Field Group Area. At the annual meeting the Field Groups will update the status of these management units, make additions or deletions to the list, and prioritize the workload as needed. Problems and areas of conflict should be brought up, discussed, and resolved by the group whenever possible. A member of the State Task Group will keep minutes of these meetings and to provide copies to Field Group participants and to the Executive Group.

4. SPECIAL WORKING GROUPS

- a. The Executive Group may establish, and appoint representatives of their respective agencies to a Special Working Group. The Executive Group may invite other agencies, local governments, universities, publics, producer groups or environmental organizations to participate in the Special Working Group as appropriate.
- b. The Special Working Group will address resource related issues and problems involving the need for a process of conflict resolution and public involvement at the field level which are beyond the traditional scope of the

field groups. The Executive group may form a Special Working Group by its own action, or at the request of anyone with valid issues or problems which are presented to the Executive Group.

- c. The Special Working Group will define the issue or problem, establish operational guidelines, and develop a goal oriented process for addressing the issue or problem through the building of group consensus.
- d. The Special Working Group may call upon the State Task Group for assistance as necessary and will keep the Executive Group informed of progress and recommendations as they are developed.

F. MEETINGS

- 1. The State Task Group is responsible for scheduling, organizing, and facilitating the meetings of Executive Group, the State Task Group, and the Field Groups. The State Task Group will designate one person to organize the time and location for each meeting, a member to send out notification of the meeting to all participants, a member to solicit agenda items, and develop the agenda for each meeting, a member to facilitate each meeting, and a member to keep and send out minutes following each meeting. The State Task Group will call special meetings when requested by any party to this agreement with 15 days notice.

G. COORDINATED RESOURCE MANAGEMENT PLANNING PROCEDURE

- 1. A request for a coordinated resource management plan can be initiated at any time by a resource management agency, a Conservation District, a private land owner, a Native American Tribe, a land user or other appropriate party. The requests will be communicated to the appropriate members of the Field Group and arrangements will be made to hold an initial planning meeting. If a Field Group does not exist in the area, the State Task Group will establish the group.
- 2. At the initial planning meeting the involved parties will make arrangements to organize and execute the planning and implementation process. The development and implementation of a coordinated resource management Plan normally includes the following steps.
 - a. Determine the area involved, agree on the lead agency, and identify all other parties that should be invited to participate on a case-by-case basis.
 - b. Develop time schedules and responsibilities for completion of inventory, plan development, and monitoring activities.
 - c. Conduct necessary resource inventories. Inventory and monitoring methods, proposed improvements and land treatment, and responsibilities for implementation, will be agreed upon during the coordinated planning process. Coordinated resource management planning is accomplished

through a team approach, involving all appropriate agency representatives, land owners, and/or the land user.

- d. Develop the coordinated resource management plan. Record inventory data, decisions and other appropriate information on appropriate mosaics, maps, sketches, forms, or other documents. Responsibility for funding and the schedule of implementation, as appropriate, will be shown. It is recognized that funding as recorded indicates intent, but performance depends on yearly finances of the responsible party.
- e. All participants sign the coordinated resource management plan. Each group or agency will designate the appropriate representative who will sign coordinated resource management plans. The signed plan represents a mutual agreement on the plan of action that will be taken for the management unit. A copy of the inventory data and coordinated resource management Plan will be provided to all participants involved.
- f. Implement the coordinated resource management plan. All participants will normally agree to participate in planned monitoring to determine if the objectives of the coordinated resource management plan are being achieved. Management adjustments or changes should be based on monitoring data. Copies of all monitoring data will be provided to all participants.

H. MODIFICATIONS TO THIS AGREEMENT

1. This agreement can be modified in writing upon the consent of the parties at any time. It is re-negotiable at the discretion of any one of the parties.

I. DURATION OF THIS AGREEMENT

1. The Executive Group will formally review this agreement five years after its execution, and each two years thereafter. The continued participation of any party to this agreement is subject to cancellation at any time, upon written notification.

J. FINANCING

1. This agreement is a Memorandum of Understanding of the parties responsible. Any work under this MOU and any amendment pursuant thereof will be regulated by the laws, policies and funding provisions governing the activities of the parties.
2. Nothing herein shall be construed as obligating the parties to expend funds or be involved in any contract to other obligation for the future payment of money in excess of legal appropriations which are authorized and allocated for this planning and work.

K. GENERAL POLICIES AND REQUIREMENTS

1. Federal parties to this agreement, except those exempted agencies, are required by the policies of the National Environmental Policy Act (NEPA) to ensure that environmental impacts receive full consideration during the planning process. Procedures for environmental assessment and preparation of environmental documents required for compliance with NEPA, where applicable have been developed by each agency.
2. Pursuant to A.R.S. Section 35-214 all parties shall retain all books, accounts, reports, files and other records pertaining to this agreement for five (5) years after completion of a project and shall make them available to the State for inspection and audit at reasonable times.
3. This Agreement is subject to cancellation by the Governor of Arizona pursuant to A.R.S. Section 38-511, the provisions of which are incorporated herein.
4. All parties to this Agreement shall comply with State of Arizona Executive Order No. 75-5 "Prohibition of discrimination in State contracts--Nondiscrimination in employment by government contractors and subcontractors", which is made a part of this Agreement.
5. The program conducted will be in compliance with the nondiscrimination provisions as contained in the Titles VI and VII of the Civil Rights Act of 1964, as amended, the Civil Rights Restoration Act of 1987 (Public Law 100-259) and other nondiscrimination statutes, namely, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, and in accordance with regulations of the Secretary of Agriculture (7 CFR-15, Subparts A & B) which provide that no person in the United States shall, on the grounds of race, color, national origin, age, sex, religion, marital status, or handicap be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, receiving federal financial assistance from the Department of Agriculture or any agency thereof.
6. To the extent permitted by federal law, parties shall use arbitration, after exhausting applicable administrative review, to solve disputes arising out of this Agreement as required by A.R.S. Section 12-1518.

MEMORANDUM OF UNDERSTANDING FOR COORDINATED RESOURCE MANAGEMENT IN ARIZONA

APPROVED BY	TITLE	DATE
<i>Denise P. Meridith</i> FOR DENISE P. MERIDITH BUREAU OF LAND MANAGEMENT (BLM)	STATE DIRECTOR	12/8/97
<i>W. D. V. O.</i> FOREST SERVICE (USFS)	Acting (Resource) Deputy Regional Forester	3-31-98
<i>John A. Churton</i> COOPERATIVE EXTENSION (CE)	Director, Cooperative Extension	6-18-98
<i>Robert A. Pimental</i> FARM SERVICE AGENCY (FSA)	State Executive Director	12/4/97
<i>Wage Marshall</i> BUREAU OF INDIAN AFFAIRS (BIA)	AREA DIRECTOR	4/13/98
<i>Michael K. Mansfield</i> NATURAL RESOURCES CONSERVATION SERVICE (NRCS)	STATE CONSERVATIONIST	11/21/97
<i>John A. Strawn</i> ENVIRONMENTAL PROTECTION AGENCY (EPA)	Retired, Wtr Div	23 June 98
<i>Madley S. Haddock</i> FISH AND WILDLIFE SERVICE (USFWS)	Retired Regional Director	3/10/98
<i>Robert A. Jones</i> BUREAU OF RECLAMATION (BOR)	Regional Director	5/29/98
DEPARTMENT OF DEFENSE (DOD)		
<i>John A. Strawn</i> NATIONAL PARK SERVICE (NPS)	Regional Director	6/6/98
<i>Paul B. Nelson</i> U.S. GEOLOGICAL SURVEY (USGS)	USGS Director Representative Authorized Departmental Officer	6/2/99 11/6/98
<i>Charles P. Nelson</i> AGRICULTURAL RESEARCH SERVICE (ARS)		
<i>Dennis Wells</i> ARIZONA STATE LAND DEPARTMENT (SLD)	State Land Commissioner	12/11/97
<i>Dwaine S. Shoup</i> ARIZONA GAME AND FISH DEPARTMENT (AGFD)	AZ Game & Fish Director	11/28/98
<i>John A. Strawn</i> ARIZONA ASSOCIATION OF CONSERVATION DISTRICTS (AACD)	Executive Director	11/28/97
<i>Kate P. Furson</i> ARIZONA DEPARTMENT OF WATER RESOURCES (ADWR)	Director	6/10/98
<i>Charles P. Nelson</i> ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY (ADEQ)	Director	11/12/98
<i>Sharon R. Brea</i> ARIZONA DEPARTMENT OF AGRICULTURE (ADA)	DIRECTOR	12/24/97
<i>Charles R. Catterley</i> for <i>Kevin R. Ransom</i> ARIZONA STATE PARKS (ASP)	EXECUTIVE DIRECTOR	12-22-97

EXHIBIT

WIN-12B
ADMITTED

ADMITTED

PENGAD 800-631-6989

